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St. Petersburg Conference Discusses Economic Integration

PM0607130193 Moscow PRAVDA in Russian 1 Jul 93 p 2

[Report by Nikolay Volynskiy: "Lest They Go One By One"]

[Text] St. Petersburg—The integration of the former USSR republics, which is the main condition of their survival, should be based on new principles. That was the conclusion reached by the participants in a four-day conference at the headquarters of the CIS Interparliamentary Assembly. The members of the group of experts of ministerial rank prepared a draft agreement for the CIS countries, which envisaged the organization of efficient and prompt information backup for multilateral interstate treaties and the reestablishment of severed political and economic links.

A scientific and practical conference, "Problems of Legislative and Economic Regulation of the Activities of Enterprises in the CIS," in the Tauride Palace also addressed the topic of pooling the commonwealth republics' efforts. Leading scholars and practical experts from nine republics who participated in the discussion recommended setting up sectoral and intersectoral centers, industrial finance groups, and transnational companies within the commonwealth framework in order to gradually form a new CIS common market.

Joint Armed Forces, Main Command 'Breathing Their Last'

MK0707084093 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 7 Jul 93 p 2

[Dmitriy Kholodov report: "Presents for High Command"]

[Text] A birthday is a sad occasion [a line from a pop song]. That is true also about the CIS Joint Armed Forces Main Command, which was one year old yesterday: no flamboyant speeches and toasts because the Joint Armed Forces, and the Main Command for that matter, are breathing their last. "And there was so much that could have been done," information center chief Serafim Yushkov told us. "We drew up the necessary agreements on collective security, which have been signed and ratified by four republics. We have more that 100 documents on creating unified forces. Alas, the Russian Defense Ministry would not deal with it and pursues its own policy, different from what is stated in the treaties and signed by the president." General Ivashov, secretary of the Defense Ministers Council, stated: The decisions scrapping the post of Joint Armed Forces commander are not legitimate—this is a prerogative of the Heads of State Council.

In the Main Command they are convinced that the post of Russian Security Council secretary was given to Shaposhnikov with the sole objective of taking away from him the strategic nuclear forces button—the only real thing that remained with the commander in chief and the Main Command. As for Pavel Grachev, he had long been soliciting the button. They told us with bitterness that the Russian defense minister had attended only one session of the Council, and later sent his representatives. "The Russian Federation Defense Ministry turns down many of our proposals and gives its own special view on each matter, thus torpedoing the making of important decisions," we were told at the Main Command. The proposal on reinstatement of the Yug Antiaircraft Defense in Central Asia, and the Kavkaz system in the Transcaucasus under the auspices of the Air Force in Russia, were not welcomed. "The latter could still be reinstated—the tracking stations and launch pads are still there. Neither does Kazakhstan object to it," Serafim Yushkov said.

But the biggest present for the Main Command was given by the commander in chief himself. Of all things, Marshal Shaposhnikov, who until recently campaigned zealously for the creation of unified forces, did an about-face once he got a new high post.

ITAR-TASS Carries Press Review for 7 Jul

LD0707050993 Moscow ITAR-TASS in English 0457 GMT 7 Jul 93

["Press Review"—ITAR-TASS headline]

[Text] Moscow July 7 TASS—The Moscow press highlights the 19th Group-of-Seven summit opening in Tokyo on Wednesday.

Along with the economic recession that has now gripped western countries, aid to the Russian reform programme remains one of the principal items on the forum's agenda, writes ROSSIYSKIYE VESTI. Referring to experts, the newspaper points out that the talks in Tokyo will contribute to Russia's integration into the world's free trade system.

KRASNAYA ZVEZDA (RED STAR) reports that the purpose of President Boris Yeltsin of the Russian Federation, who will join G-7 leaders on Thursday, "is by no means to knock out additional currency funds". In the light of the galloping Russian inflation, no laws would induce a businessman to invest money in industry. It will become beneficial to produce goods in Russia only when Russia gets an opportunity to "trade with the West without restrictions".

Reviewing the G-7 activities since the group was set up in 1975, ROSSIYSKAYA GAZETA concludes that Russia is now faced with the following problem: either it tries to join the "exclusive club of the rulers of the world's economic destinies" before the gate is closed or it will seek to get there precisely by riding the crest of a wave of changes in the world economic arena, alongside—and even in alliance with—the grown-up giants of the third world. The main thing, the newspaper adds, is to "understand in time that it is not actually a 'third' one."

Pointing out that the G-7 summit may become a "turning point" in Moscow's relations with the capitals of the leading western countries and Japan, NEZAVISIMAYA GAZETA writes that the main thing for Russia at the forum will be to determine the real scope of economic aid on which it could count.

NEZAVISIMAYA GAZETA carries an interview with Russian Vice-Premier Boris Fedorov under the headline "We shall not request any aid at the Tokyo summit". No western aid, he points out, "will never be able to become a key factor of our development. Ninety-five per cent of everything that is being done to effect an economic reform depends on ourselves".

At the same time Fyodorov emphasises that "up to now we help the developing countries more than the West". He said "Russia's aid to the third world ran at about 17,000 million U.S. dollars in 1992. For the sake of comparison: the U.S. aid amounted to 9,910 million dollars, that of Japan—11,300 million, Germany—7,600 million, and France 6,830 million dollars."

For its part, PRAVDA maintains that "Moscow supported the U.S. missile strike against Iraq in the hope that at the G-7 summit in Tokyo Washington would secure an approval of a sizeable package of assistance to Russia in the reform process".

KOMSOMOLSKAYA PRAVDA comments in particular on the decisions of the Sverdlovsk and Vologda regional councils to transform their regions into republics. The disintegration of the totally organised system "gives rise to total disintegration", the newspaper said, pointing out that time is needed for the deceleration of the disintegration and for "The ripening of principles for a new integration".

Touching upon a statement, signed in Moscow on June 25 by 40 representatives of the territories and regions of the Russian Federation, on principles for a federal system and conditions for the adoption of a new constitution, ROSSIYSKAYA GAZETA refers to it as an "illustration of the emergence of a new influential political force in the arena of political life, the force that can lend the thoroughness and democratism that the entire reform process is now lacking".

Among reports from the areas of conflict, newspapers single out information that Georgian leader Eduard Shevardnadze declared martial law throughout the autonomous Republic of Abkhazia from 2200 of July 26.

Government Expects 'Practical' G-7 Decisions

LD0607135193 Moscow ITAR-TASS in English 1240 GMT 6 Jul 93

[By ITAR-TASS diplomatic correspondents Aleksandr Smelyakov and Vladimir Suprun]

[Text] Moscow July 6 TASS—Russia expects the G-7 to switch from declarations about support to Russia to concrete assistance at the coming summit in Tokyo, according to a Foreign Ministry spokesman.

Sergey Yastrzhembskiy told reporters on Tuesday that "the time of declarative support has passed" and "we are expecting from the Tokyo summit a lot, mostly practical decisions on rendering assistance to Russia".

The spokesman said the summit should confirm the decisions of the G-7 meeting of foreign and finance ministers held in Tokyo in spring which agreed on concrete amounts of Western help to Russian reforms.

"In Tokyo the club of industrialised nations can make a concrete step and cross the line separating political declarations on solidarity and support from concrete actions to strengthen democratic reforms in Russia", he said.

Yeltsin on 'Trade Discrimination'

OW0607161593 Tokyo KYODO in English 1536 GMT 6 Jul 93

[By Katherina Pechko]

[Text] Moscow, July 6 KYODO—Russia's President Boris Yeltsin will urge leaders of the Group of Seven (G-7) major industrialized countries to abolish trade discrimination against Russia at the July 7-9 Tokyo summit, a reliable source in the Russian delegation to the summit said Tuesday [6 July].

The source told KYODO NEWS SERVICE that Yeltsin will characterize discriminatory measures against Russia as "unjustified," noting that there are no grounds to speak about the Russian economy in non-market terms.

The United States is currently using antidumping procedures to prevent Russia from trading nuclear fuel on the world market. Americans are also forcing Russia to break a contract with India to supply rocket engines.

Yeltsin will address the G-7 leaders on July 9, the last day of the summit.

The source said that Yeltsin will criticize the approaches of the world's major economic powers towards foreign trade cooperation with Russia.

Yeltsin is expected to say that several approaches to foreign trade should be seriously considered, the source said.

The Russian leader is also expected to criticize the remaining export control system introduced to prevent the export of high- technology items to Russia.

Yeltsin will also call for extension of Russia's participation in "world administration relations system," because otherwise the development of the market economy in Russia is "unthinkable," according to the source.

The source said Yeltsin will welcome Western support of Russia's application to join the General Agreement on Tarrif and Trade (GATT), and of tariff preferences granted to Russia by the European Community and Canada.

One form of support that Yeltsin is expected to suggest is a deferment of repayment this year of debts it inherited from the former Soviet Union.

Such a move would allow Russia to concentrate on stabilization of the economy, the source said.

Yeltsin will also appeal to the West for more technical support.

Speaking about Russia's economic policies, Yeltsin is expected to note that the government will reduce subsidies for bread and grain as well as for the coal industry. Oil prices will be liberalized, according to the source.

Regarding foreign trade, Yeltsin is expected to say his government will lower export subsidies and bring the nation's foreign trade regime in line with international norms and rules of GATT.

The Russian president will also ask the West to provide more aid to Russia, noting that failure to do so would lead to instability throughout the world, the source said.

Yeltsin hopes the G-7 will adopt a program to support small businesses in Russia, according to the source.

Yeltsin also will state that Russia should cooperate with the rest of the world in the area of nuclear safety, according to the source.

Shokhin on Russia's Expectations

PM0607195193 Moscow IZVESTIYA in Russian 7 Jul 93 First Edition p 4

[Article by Aleksandr Shokhin, deputy chairman of the Russian Federation Government: "Making a 'Business' Out of Russia, or Doing Business With Russia?"]

[Text] When French President Valery Giscard d'Estaing proposed the idea of the West holding a summit meeting, he had in mind an informal discussion of economic strategy among the leaders who are "really worth" something in the world.

The initial idea of an exclusively economic summit was transformed into a discussion of a wide spectrum of political and economic problems. It is not the first time that Russia has participated in this process. The first time was when USSR President M.S. Gorbachev was invited to a G-7 meeting. Then, in 1991, support for perestroyka was expressed, but the practical aid expected from the West was not received. Comprehensive support for the reforms in Russia was also declared at the G-7 meeting in Munich, but B. Yeltsin's appeal to open markets completely to Russia, to scrap discrimination in trade with it, to remove all restrictions, and to grant markets and most favored nation status simply remained an appeal.

Russia could earn the necessary foreign currency resources itself rather than live in debt. The various types of restrictions the West is imposing on Russian goods' access to their markets affect exports of ours worth in the order of $1 billion a year. If you add to this losses from the export of services (the launching of satellites and telecommunications, and others), we reach a figure in the order of $2 billion. If discriminatory restrictions on nontraditional exports were lifted, an increase of a further $5-6 billion in export earnings could be expected by the mid-nineties.

Discriminatory barriers are also expressed in the pyrotechnics of antidumping procedures. At present around 20 antidumping procedures are operating against Russian goods or are at the adoption stage, the bulk of which was initiated by the European communities. While the United States, for example, imposed a virtual ban on the import of our uranium until the price reaches $13 per pound (currently it is $9.5). Before these discriminatory restrictions were imposed the former USSR republics, primarily Russia, were delivering up to 5,000 tonnes of uranium to the United States, which earned us $150 million a year.

Substantial quantitative restrictions also exist. Sometimes the quotas are simply ridiculous. For example, this year Italy will allow the import from Russia of only nine engines of a certain type, 29 motorcycles and mopeds, etc. The quotas for other Russian export goods, specifically motor vehicles, instruments, semi-assembled timepieces, and others are negligible. In the first five months of this year Russian textile exports in the Community were practically frozen because of the refusal to extend the appropriate 1989 agreement. Serious complications arose with deliveries of fishery products to Europe.

We are advocating unorthodox decisions which would help to regulate the situation. For example, stabilization in the primary aluminum market could be assisted by an influx of investment into the Russian processing industry. Bearing in mind the domestic market's acute shortage of finished aluminum articles, above all in construction, such investment would quickly reduce the pressure being applied by our suppliers of primary aluminum to the world market.

But let us return to the problems of the Tokyo G-7 meeting. Support for the Russian reforms was discussed at the last two summits, but Russia simply did not receive the proposed "new Marshall Plan." Everything the West has done to date has largely been merely important moral support. The moment has come when we must reach a balance between political statements and their specific, tangible economic embodiment. First of all, in Tokyo we await the acknowledgment of the fact that Russia is not a communist power and that the Russian economy is not a "centrally planned" economy. To this day U.S. legislation, for example, by the admission of President Clinton contains up to 300 references to Russia as a communist power and a country with a centralized state economy. It is clear that this cannot go on; we await the G-7's acknowledgment of the transformations that have already taken place and of the fact that an economic mechanism based on market principles has been established and is operating in Russia, which (rather than administrative measures) is setting in motion a structural reorganization of the economy. This is very important, because it removes many questions of discrimination and strengthens our country's position as an equal partner. The recognition of Russia as a country with a democratic political system and market economy (and not a transitional-type economy) is important in the practical respect, because hence follows the lack of any grounds to apply special trade regulation rules to it, the removal of discriminatory and protectionist barriers, and an increase in the volumes of direct investment.

We would like the West to talk to us not in the language of previous "aid" formulations but to conduct a dialogue in terms of "cooperation" and "business." Lately a great deal of political hype has arisen over a package which is called "aid" in the West and which will be proposed in Tokyo. Of course, the sum of $43.4 billion is impressive, but on closer inspection the Tokyo package "shrinks." The package includes deferment of the payment of $15 billion of the former USSR's foreign debt, which has already been received along the lines of the Paris Club. Furthermore, the package includes $6 billion for the ruble stabilization fund, which we are not prepared to accept in principle. It must also be kept in mind that Russia can receive some of the resources not within one year but within two years. The IMF reserve credit of $3 billion, for example, will be allocated quarterly, so it too will carry on into the next year. The situation is the same with the $5 billion set of World Bank credits.

The package includes around $10 billion in bilateral export credits and guarantees. According to our estimates we will be able to accept no more than one-half of these. Why? Because they are being granted on fairly tough financial terms, increasing the country's foreign debt. Furthermore, such credits are extremely advantageous to the West, because in economic slump conditions they make it possible to support national producers. And another thing. We are being offered "tied" credits and guarantees (that is, for specific goods), and, as last year's experience shows, we have been forced to spend around 20-40 percent of every credit line on the import of goods which are not critically needed by us. On the whole the Tokyo package does not provide for the allocation of financial aid in the form of free grants and granting preferential financing. We cannot utilize its credit component fully because of fears that our debt will become excessive and a heavy burden for Russia. These loans will increase the country's foreign debt. According to our estimates, if we accepted the entire package of $28.4 billion on normal terms, as early as next year Russia would have to pay $3.5 billion to service it. But this is beyond Russia's means. Essentially, last year we we did not receive the widely touted "aid worth $24 billion" in full and we cannot accept the full $43.4 billion this year.

Another factor that we would like to record in Tokyo is Russia's need for a financial breathing space. The Paris Club's deferment of the payment of $15 billion of the former USSR's debt is real aid. But we still have difficulties in the talks with the London Club, which unites around 600 commercial banks. We are insisting that Russia obtain deferment of payment and servicing of these debts according to the Paris Club scheme, and then, by our estimates, we will reach a payment figure of $570 million in 1993. However, the banks are demanding at least twice as much from us. It is understandable that every $100 million is an increasingly substantial sum for us. We are counting on moral support in Tokyo of our adherence to the principle of identical relations with the former USSR's creditors.

We are also burdened by the former Union's debt to medium-sized and small private firms, which is around $7 billion. Let me repeat that this is a commodity which has already been eaten, drunk, and smoked; the structure of the former Union's imports is well known. Many firms are in a difficult situation because of our nonpayments. But we cannot pay this money now; we do not have it. Of course, we will pay it off gradually, but we are seeking a way to ease the situation of the USSR's former suppliers. Therefore we would like to propose in Tokyo that part of the package (it is for the G-7 to decide which) is channeled into the creation of a kind of insurance fund for supplier firms which are experiencing financial difficulties.

We would like to solve yet another question in Tokyo: to lift from Russia the burden of being a donor. It is a paradox but nonetheless a fact that Russia, the debtor, is simultaneously playing the role of the CIS countries' donor by supplying them with cheap raw materials. According to IMF and World Bank data, the size of this transfer of resources totals $17 billion, at the same time as the volume of Russia's foreign financing last year did not exceed $16.8 billion. However, we are interested in ensuring that market relations are properly established in the CIS countries as quickly as possible.

On the threshold of the G-7 meeting in Tokyo I would like to appeal to its participants: Do not make a "business" out of Russia and do not hinder Russia but help it—if this term can be used—to become an equal partner in the international economic community.

Japanese Spokesman on G-7 Aid

LD0707081993 Moscow ITAR-TASS in English 0721 GMT 7 Jul 93

[By ITAR-TASS special correspondent]

[Text] Tokyo July 7 TASS—"There are different points of view on aid to Russia: Europe visualises it in its own way while the problem looks differently in the Asia-Pacific region. Therefore, one would like G7 to work out a unified approach to this important issue at the G7 summit opening here today," Japan's Chief Cabinet Secretary Yohei Kono told ITAR-TASS on Wednesday in the capital's new Otani Hotel which houses a press centre of the G7 summit.

At the summit, Japan also has its own attitude towards aid to Russian reforms and there are different views on that score inside the country," said Mr Kono, who is an official spokesman for the Japanese Government.

However, as far as discussion at the summit is concerned, Prime Minister Kiichi Miyazawa as the chairman of the summit will undoubtedly make efforts, by using summit resources, to generalise the approaches of the sides towards support for reforms in Russia, Mr Kono said.

Yeltsin Plans To Reach Accord

LD0707101093 Moscow Radio Rossii Network in Russian 0900 GMT 7 Jul 93

[Text] Anatoliy Krasikov, head of the president's press service, briefly summed up the basic position of the Russian delegation at the summit which opened in Tokyo today as being to reach the maximum full accord with all the Big Seven countries as a whole on broad political and economic cooperation. In conversation with an ITAR-TASS correspondent, he stressed that the talks should help to resolve the tasks facing Russia today.

During his three-day stay in Japan, Krasikov said, President Yeltsin will be having a meeting with Prime Minister Kiichi Miyazawa and also plans to meet the former head of Japan's Government Yasuhiro Nakasone. On 9 July Boris Yeltsin will be having talks with the leaders of the top industrial states of the world in the seven plus one formula at which the Russian leader will set out Moscow's position on cooperation between Russian and Western countries.

Anatoliy Krasikov said that the Russian side will be striving to eradicate discriminatory restrictions in relations between Russia and G-7 countries. The program for the Russian president's visit to Japan also envisages a series of bilateral talks with the leaders of the seven countries.

Tokyo Hopes Yeltsin Will Help Boost Joint Ties

LD0707081793 Moscow ITAR-TASS in English 0720 GMT 7 Jul 93

[By ITAR-TASS special correspondent]

[Text] Tokyo, July 7 (TASS)—Japan hopes that Russian President Boris Yeltsin's visit to Tokyo to meet participants in the G7 summit will help create a favourable atmosphere in Russo-Japanese relations and develop further political and economic contacts between the two countries, the Japanese Foreign Ministry spokesman said at a briefing on Wednesday on the eve of the G7 summit which will open in the afternoon today.

Replying to ITAR-TASS, the spokesman noted that Japanese Premier Kiichi Miyazawa who will meet President Yeltsin on July 8, "does not intend to conduct talks" on the territorial problem in Russo-Japanese relations.

The premier will only limit himself to the outline of Tokyo's "Russian policy" providing for full normalisation of relations between the two countries on the principles of legality and justice as well as for concluding a peace treaty based on the solution of the present problem of southern Kuriles.

Miyazawa intends to stress that the normalisation of Japanese-Russian relations is of top importance for the two countries and will meet the interests of all the Asia-Pacific states.

The spokesman intimated that Japan does not plan to raise the issue of "Northern Territories" at the present G7 summit.

Turning to the recent U.S. initiative to help Russia in its privatising state-run enterprises, he expressed hope that "the forum will reach a definite compromise".

"The Japanese Government," the spokesman said, "believes that privatisation is an important component of Russian reforms to switch over to a market economy, and Tokyo as G7 summit chairman would like the forum to adopt a mutually acceptable decision on this issue."

Commentary on Yeltsin-Clinton Meeting After G-7

LD0607185293 Moscow Radio Moscow World Service in English 1710 GMT 6 Jul 93

[Announcer-read Vladislav Kozyakov commentary]

[Excerpts] President Yeltsin meets with his American counterpart Bill Clinton in Tokyo on Saturday [10 Jul] following the summit of the seven industrialized Western countries.

The Presidents of Russia and the United States will meet this time three months after the summit in Vancouver. Nevertheless they'll be able to sum up some results of their understandings. [as heard]

Over the period since the summit, the two great powers continued developing relations of partnership and this favorably affected the world's climate. The growing mutual understanding between Moscow and Washington is evident. The two countries have taken coinciding decisions to prolong the moratorium for nuclear testing. [passage omitted] Unprecedented opportunities open up for the signing of an international treaty on complete banning of nuclear testing. [passage omitted]

It seems Mr. Yeltsin and Mr. Clinton use their meeting for a further drawing closer of their positions on many international issues. However, a peculiar feature about the meeting is that it will be held right after the G-7 discussion of their aid to Russian reforms.

Before the G-7 summit in Tokyo, President Yeltsin sent a message to its delegates, where he said how important the privatization fund for the Russian economic reforms could be. The idea was put forward by President Clinton, but the issue is to be discussed by the leaders of other Western countries.

What could be the result of the summit in Tokyo? How can the United States President comment on it? Another important aspect is the normalization of trade with Russia. It's a matter of cancelling of 50 to 60 laws adopted by the United States Congress in the years of the Cold War and establishing discriminatory trade restrictions, as well as of cancelling a high-tech export ban to Russia introduced by COCOM [Coordinating Committee for Multilateral Export Controls].

Besides, the United States and other countries must take decisions on the issues associated with the free access of Russian space and other high-tech products to the world market. The problems were put by President Yeltsin in Vancouver, and Russia expects they'll be solved.

The normal goods exchange in the world is the key issue for international relations. Speaking in San Francisco before his departure for Tokyo, President Clinton favored the removal of trade barriers: We can't build walls around our nation, he said. However, some trade rules with Russia unfortunately resemble such a wall.

Khasbulatov Meets U.S. Congressmen

LD0507140793 Moscow ITAR-TASS World Service in Russian 1316 GMT 5 Jul 93

[By ITAR-TASS parliamentary correspondent Yuriy Filippov]

[Text] Moscow, 5 Jul—Receiving representatives of the U.S. Congress in the House of Soviets today, Russian Parliament Chairman Ruslan Khasbulatov emphasized that it was precisely the Supreme Soviet that was "ensuring real democracy in the country today."

Referring to Russia's domestic problems, the speaker approved of the actions of Viktor Chernomyrdin's government to continue subsidizing the prices for energy sources since otherwise, according to him, a still greater rise in prices would result.

Speaking about the Constitutional Conference currently being held in the Kremlin, Khasbulatov pointed out that he did not regard its convocation as essential. According to him, the work of the Constitutional Commission of the Russian Federation, which is chaired by President Boris Yeltsin, is also going "fairly according to plan."

Kozyrev Meets U.S. Congressmen

LD0607125493 Moscow ITAR-TASS in English 1105 GMT 6 Jul 93

[By ITAR-TASS diplomatic correspondent Sergey Postanogov]

[Text] Moscow July 6 TASS—Russian Foreign Minister Andrey Kozyrev on Tuesday [6 Jul] met with a group of members of U.S. Congress who are currently here on a familiarisation visit.

During the conversation, the two sides discussed the problems of and prospects for the development of Russian-U.S. cooperation. It was noted that, notwithstanding the current difficulties, this cooperation continues to develop, Galina Sidorova, political adviser to the minister, told ITAR-TASS.

The Russian side pointed out that an active development of bilateral contacts is hampered by a number of stipulations in the U.S. legislation, in which Russia is still viewed as a communist country, which predetermines the application of a series of restrictions.

Another problem is that, unfortunately, the practice of linking U.S.-Russian cooperation with certain political motives, has not yet been abandoned, Sidorova said. This applies in particular to the problems of Russian troops' withdrawal from the Baltic countries, Russian-Iranian cooperation, etc. The Russian Federation is against linking bilateral cooperation with such problems, she said.

In response to a question from the ITAR-TASS correspondent about the possibility of removing such obstacles, U.S. Senator Patrick Leahy voiced confidence that U.S. President Bill Clinton and Russian President Boris Yeltsin would succeed in finding solutions to the existing problems.

Moscow 'Expresses Understanding' of U.S. Bombing of Iraq

MK0607085493 Moscow SEGODNYA in Russian No. 31, 6 Jul 93 (signed to press 5 Jul) p 3

[Vladimir Abarinov report under "Mutual Understanding" rubric: "Moscow Has Satisfied Itself That Washington Is Right. But Failed To Support the Bombing of Baghdad"]

[Text] A fairly well-informed source has confirmed that the Russian leadership had been advised beforehand about the missile strike on Baghdad. The source specified that Washington did not coordinate the action with Moscow, but only notified it. The Russian side was provided with exhaustive proof of the involvement of Iraq's special services in preparing an attempt on Bush's life. This information may not be published for considerations of confidentiality, the source explained.

The statement by the Russian Federation Foreign Ministry, which, citing the opinion of the Russian leadership, expresses understanding of the U.S. actions, was published on Sunday, 27 June. As SEGODNYA already reported, while in Athens President Yeltsin sharply reacted to a question from a Greek journalist about the reasons for Russia's support of the U.S. military action. The president said that the statement does not contain the word "supports" and advised the journalist to study the text more carefully. As the same source said, Boris Yeltsin knows the text of the statement by heart, and that was why he replied so confidently and unequivocally.

Responding to a question from SEGODNYA's correspondent whether the statement by the Russian Foreign Ministry is not compensation for corresponding U.S. services, the source answered in the affirmative. What is involved is the Russian military presence in the former Soviet countries. The international legal status of these troops has not been defined yet and with a certain aggravation of the situation the question could well be raised at the Security Council. The Americans, however, treat this problem with understanding. We are working based on trust, the source stressed, and we would like to preserve it in the future.

Further Coverage of Nuclear Test Ban Situation

Foreign Ministry on Readiness for Full Ban

LD0607130093 Moscow ITAR-TASS World Service in Russian 1200 GMT 6 Jul 93

[By ITAR-TASS correspondents Aleksandr Smelyakov and Vladimir Suprun]

[Text] Moscow, 6 Jul (TASS)—Russia is prepared to conduct negotiations on a comprehensive nuclear test ban, this was stated at a briefing today by Sergey Yastrzhembskiy, director of the department of information and press of the Russian Federation Foreign Ministry.

He pointed out that the Russian Federation welcomes the decision of the U.S. President to extend the moratorium on nuclear tests until September 1994, provided that other countries also refrain from these tests. Incoming information on feedback from other nuclear countries also inspires optimism.

Yastrzhembskiy stressed that this creates favorable conditions for starting serious multilateral negotiations on a complete ban on nuclear tests. "We are ready for such negotiations, and we believe that for these purposes it would be advisable to use the mechanisms that already exist in Geneva, namely consultations among the five nuclear powers and the special committee for banning nuclear tests, which operates in the framework of the Conference on Disarmament. This committee should be vested with an appropriate mandate for negotiations. We are also prepared to conduct bilateral consultations with the United States," Sergey Yastrzhembskiy stated.

The Russian diplomat noted that Russia's position on the issue had been made known to all the members of the "nuclear club," including Beijing.

U.S. Decision To Extend Moratorium Welcomed

LD0607131393 Moscow ITAR-TASS in English 1219 GMT 6 Jul 93

[By ITAR-TASS diplomatic correspondents Aleksandr Smelyakov and Vladimir Suprun]

[Text] Moscow July 6 TASS—Russian [as received] welcomed the US decision to extend the moratorium on nuclear tests until September 1994 and said it is ready for negotiations on a complete nuclear test ban.

Foreign Ministry Spokesman Sergey Yastrzhembskiy told reporters on Tuesday that the US decision "was positively apprehended [as received] in the Russian Federation". Response from other states also inspires optimism so far, he said, adding that thus "favourable conditions are being created for serious negotiations on a multi-lateral basis on a complete ban of nuclear tests".

"We are ready for such negotiations and believe that the existing Geneva mechanisms should be used for the purpose—consultations of the five nuclear powers and the special committee on nuclear test ban of the disarmament conference", Yastrzhembskiy said, adding that the committee should be authorised to hold such negotiations.

"We are also ready for bilateral consultations with the United States", he added.

The spokesman said that the Russian position on the issue had been forwarded to all members of the "nuclear club", including Beijing.

Columnist Views Prospects

PM0707105993 Moscow KRASNAYA ZVEZDA in Russian 7 Jul 93 p 3

[Mikhail Pogorelyy report: "Chain Reaction of Nuclear Disarmament the Guarantee of a Nuclear-Free World"]

[Text] The decisions by the presidents of the three members of the "nuclear club," which passed hardly noticed against the background of the many tumultuous events last week, may nevertheless be a very substantial step along the path toward a nuclear-free world. The decisions in question are those made by the leaders of the United States. Russia, and France to extend the moratorium (unilaterally adopted by each country and lasting so long as the pledges are not violated by any other side) on underground nuclear test explosions.

Preparations are now in hand for the conclusion in 1996 of a multilateral international agreement on a complete ban on such tests. But why leave till tomorrow what you can begin today? For a year now all the great nuclear powers have actually been refraining from staging any underground mini-Hiroshimas. Such attitudes by the leaders of Russia, the United States, France, China, and Britain, although technically unilateral, are in practice interconnected and depend on the good will and true intention of the leaders of the great powers to free the world from the prospect of a relaunch of the nuclear arms race.

This is no exaggeration. It is well known, after all, that test explosions are carried out not only to verify the reliability of existing arsenals but also to develop new arms. The statistics on this matter are of course secret but it is obvious that between one-third and one-half of all explosions—whether in Nevada or on Novaya Zemlya—serve the creation of future types of nuclear weapons. Thus, stopping this process inspired the world public to hope that the major agreements aimed at reducing the superpowers' stockpiles of weapons of mass destruction will be strengthened by a ban (or at least a significant limitation) on the development of new and even more lethal types of weapons.

It goes without saying that the military leaders feel happier when they are really sure of the reliability of the arsenals in their charge. From that viewpoint you can understand their desire to hold—at least before 1996—two or three "small" explosions a year. But the reality is that a deviation from a firm ban by one side inevitably sparks a corresponding reaction from the "near-nuclear" or "five minutes to nuclear" states—why is it acceptable for Britain or Russia and not for India, Pakistan, or Israel? On the other hand the firm pursuit of the course toward a non-nuclear world will inevitably trigger a chain reaction (sustained, it is planned, by a basis of international law, furthermore) of rejection and ban on the development and production of nuclear arms with the equally inevitable result that they will be eliminated.

Even from the purely technical viewpoint the world will not be able or have the time to enter the third millennium free of the nuclear arsenals. But we can—if we really want to—go into it with the firm determination to transform it into a nuclear-free era.

Treaty To Be Signed on Novaya Zemlya

LD0607131293 Moscow Mayak Radio Network in Russian 0420 GMT 6 Jul 93

[By Mayak correspondent Valentin Bogomolov; from the "Morning Panorama" program]

[Text] Arkhangelsk oblast is unique in a way. Located here are not only the Plesetsk cosmodrome and the military cosmodrome near Severodvinsk, but also a nuclear test range on Novaya Zemlya. Sad as it is, it is still operating. Arkhangelsk oblast was also where the movement Toward a New World [play on words; novaya zemlya means new world in Russian] originated. It refers not just to the test range, but also the a new, reborn planet, because God forbid that anything should happen in Arkhangelsk oblast. After all, in accordance with a presidential decree, here in Arkhangelsk oblast the submarine-building center was set up. At this center there are now 18 submarines with loaded reactors, which nobody knows how to destroy. Here is Oleg Ovchinnikov, co-chairman of the movement Toward a New World.

[Begin Ochinnikov recording] We have realized that a crucial moment has come, when a popular initiative can achieve what was achieved in 1963. It was then that the treaty to ban nuclear tests in three medias was signed. Now the moment has come when one can and must, without delay, make a move from a moratorium to all the nuclear countries signing a treaty. This requires a very powerful impetus, however. It is with this in mind that we are setting off to the test range on 31 July in the ship Anna Akhmatova. On 5 August, at the test range itself, we will sign a popular treaty on a total ban of nuclear tests in all media for all nuclear powers. With this treaty we hope to influence the U.S. Government. As things now stand, the ball is firmly in the U.S. Government's court. Russia has retaken the initiative; Britain has voiced its support for the popular initiative. France is also ready. Now it is up to the United States. If it does not begin tests, no one else will. Then it will be possible to proceed with signing the treaty. [end recording]

Importance of Western Aid for Reactors Viewed

AU0607155193 Duesseldorf HANDELSBLATT in German 6 Jul 93 p 3

[Andrea Jocham report: "Closing Down Chernobyl Type Reactors Not At Issue"]

[Text] Moscow/St. Petersburg, 5 July—The dispute about the most effective form of refitting Russian nuclear reactors will provide dynamite at the G-7 meeting in Tokyo. The millions of dollars worth of aid programs to improve the safety of nuclear power plants in the former Eastern Bloc are basically welcomed in Russia, but the Russians insist on deciding alone for what purpose the money should be spent.

"So far, not a single kopek has come from the West," Evgeniy A. Reshetnikov, Russian deputy minister for nuclear energy, said in a discussion of several hours between representatives of Russian authorities and institutes with German journalists in Moscow. The meeting and a brief visit to the Sosnovy Bor nuclear power plant near St. Petersburg, which had gotten into the headlines in March 1992 because of an incident, was organized by the southwest German energy supplier Badenwerk AG.

Supply of Complete Reactors Undesirable

Reshetnikov explained the Russian position. He stressed that Russia wanted cooperation with Western nations and companies, but not on the basis of what has been suggested, "such as the supply of a complete nuclear reactor." "We have our own projects," he said. The type of cooperation he had in mind was rather in the area of components. "What we want are systems that we cannot produce ourselves," said Reshetnikov.

The Bonn Environment Ministry does not share the Russian ideas on Western aid. Representatives quote the aid package that was tied at the G-7 summit in Munich last year. They say that the $700 million worth of short-term aid should never be given to the Russians directly. In addition, the funds were only partly intended for financing equipment such as pumps or measuring instruments. The other part was intended for payment of western advisory services. Nonetheless, Bonn admits that there have been delays in the EC programs.

Irrespective of all the differences, Reshetnikov and his colleagues stressed that German companies will continue to be competent business partners, even though no new nuclear power plants will be built in the FRG for the time being. However, Reshetnikov definitely rejected any type of cooperation in ultimate waste disposal. The importation of radioactive waste was totally out of the question, he said.

The catastrophe of Chernobyl seven years ago has also touched off a rethinking process in Russia. "I must agree. The RBMK reactors no longer meet the current safety requirements. The technical concept corresponds to the development level of the 1960s," said Reshetnikov. In Russia, 11 RBMK reactors of the Chernobyl type are in operation. Early in 1993, 28 nuclear reactors in Russia served to generate electricity. There are serious, basically technical, reservations in the West about the RBMK technology, which is primarily used for military purposes, compared with the Russian pressurized water reactors. Experts—not only in Germany—believe that the RBMK reactors should not be refitted but should be closed down as soon as possible.

The Share of Nuclear Energy Will Be Doubled

The deputy minister and his colleagues said that it is not possible to close them down. According to them, the electrical output of RBMK reactors is 11,000 megawatts, more than half the total electrical output of the Russian nuclear power plants of approximately 10,200 megawatts. In addition, about 30 percent of all fossil fuels are totally outdated and ruined. "That is the most serious problem that we are facing in the energy sector," said Aleksey Makarov, director of the Energy Research Institute of the Russian Academy of Sciences.

That is why, several months ago, the Russian government presented an ambitious program for the expansion of nuclear energy. Up until 2015, 32 new blocs will be added, which will have an electrical output of approximately 39,000 megawatts—twice the present output; 14 blocs will be closed down. The share of nuclear energy in power production will increase from 11 percent to 20-25 percent. Minister Reshetnikov said that Russia will give up the large 1,000 megawatt blocs. There are plans to set up units of between 600 and 800 megawatts. They would be pressurized water reactors and a few quick breeders. Russia is not considering setting up new RBMK reactors; but the blocs that have been started will be put into operation.

Apart from nuclear energy, coal will become a main energy source of power production. According to Russian energy experts, it is not possible for two reasons to increase power production on the basis of gas, which would be better for the environment. The gas transport system has reached the limit of its capacity, and Russia does not have the necessary technology for large gas turbines.

The Russian energy experts said that there was little hope that rigorous energy conservation could open up a way out of the energy misery and thus allow Russia to close down the RBMK reactors soon. "We were the world's largest energy consumers in the last 30 years," they said. However, there was no economic lever to make full use of the huge capacities. Makarov said that in a large Moscow car factory, there were only 50 electricity meters, not even one for every hall, and only one meter measuring the quantity of heat. He added: "When you talk with people about energy conservation under these conditions, they laugh at you."

The Russian energy experts present did not share the West's basic reservations about RBMK reactors, even though they were very sensitive about safety problems and discussed the issue frankly and partly even controversially among themselves. "When professionals visit our nuclear power plants they are quite satisfied," said Reshetnikov, rejecting criticism. Anatoliy Yeperin, director of the Sosnovy Bor nuclear power plant near St. Petersburg, would even like to operate the four RBMK reactors that were put into operation between 1973 and 1981, 10 years longer than planned. However, Badenwerk board member Guenther Haessler voiced concerns following the visit of the Sosnovy Bor nuclear power plant—not only about the technology but also about fire protection.

"Another Accident Would Spell the End of Nuclear Energy"

But, in Sosnovy Bor, opinions are changing too. "Glasnost" is gradually taking over. After all, there is now a public relations department. For the citizens of the big city of St. Petersburg, a hot wire was installed, Yeperin said. Minister Reshetnikov stressed, during the discussions in Moscow, that there must be no other accident as the one in Chernobyl or Harrisburg in the United States. "That would spell the end of nuclear energy—not only in the West but also in the East."

Kozyrev on Baghdad Attack, Black Sea Fleet Problems

LD0407203393 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 4 Jul 93

[Interview with Foreign Minister Andrey Kozyrev by anchorman Yevgeniy Kiseleve; place and date not given; from the "Itogi" program—recorded]

[Text] [Kiselev] A week ago, the United States launched a missile strike on Baghdad. Does not the reaction by the Russian Ministry of Foreign Affairs give grounds for new reproaches to the effect that Russian foreign policy sometimes follows in the wake of U.S. foreign policy?

[Kozyrev] One can make as many reproaches as one likes, but if you look at the essence of what happened, we stated that we considered that this act is well-founded since it proceeds from the right of the United States to defend itself from the threat of a terrorist attack on its former President. That is to say, we did not support that action directly. We did not associate ourselves with it. But we just said that since the United States thinks that its prestige and security are damaged by that attempted terrorist act, and they presented us with detailed evidence of that—they did the same ...

[Kiselev, interrupting] Did they present such evidence?

[Kozyrev] Yes, they presented us with detailed evidence. Incidentally, we handed it over to the Supreme Soviet, too, during the hearings. We are not concealing it; these are public [otkrytyy] documents. The same detailed evidence running to many pages was also presented at the sitting of the Security Council where, incidentally, no country, apart of course, from Iraq itself, questioned the right of the United States to carry out such action.

It should further be noted that we have finally reached, along with the United States and other democratic states, a level of mutual trust. In this lies the difference in the approach of the Russian leadership, which is expressed in the statement of the Ministry of Foreign Affairs and, let's say, in that of a substantial part of our deputy corps who still have much greater trust in Iraq. True, that is understandable in a number of cases because many of our deputies simply are being tended in Iraq itself and in the Iraq Embassy here, which has turned into the headquarters of the National Salvation Front—incidentally, we have said this to Iraq on more than one occasion.

[Kiselev] How can you explain the different, or perhaps it's more correct to say, specific assessment of the same events on the part of Ukraine?

[Kozyrev] Well, you see, one of the explanations is that Ukraine is afraid that this may set a precedent for the same actions whereby one of the sides, one of the superpowers, may use force on grounds of self-defense. I would not like to comment on that, but I have to say that, unfortunately, our friends and neighbors in Ukraine are among a very small number of states which took this attitude to the U.S. action. But the people of Ukraine probably have their own thoughts on this.

[Kiselev] Since we are talking about Ukraine, I would like to talk about the events around the Black Sea Fleet. In effect some of the sailors of the Black Sea Fleet have come out against the agreements which were reached between the leaders of Russia and Ukraine at the highest level. What do you think the prospects for the development of this alarming situations are?

[Kozyrev] Well, I was at the Black Sea Fleet along with the commander of the Russian Navy and met officers there. I have to say that emotionally one can understand them. People really are in difficult conditions. They have a good and powerful fleet in their hands. That fleet is, of course, a unified organism and in principle it would be desirable for it to remain like that and we have always spoken out in favor of that, and that was our original position, our original proposal to Ukraine. But the situation is developing in such a way that our Ukrainian neighbors are insisting on some kind of partition of that fleet. In any event, an 18-month or two-year transition period is provided for, during which all of these questions will be decided in a civilized way, taking account of the social and other rights of the servicemen. Servicemen will not be confronted with the choice of either resigning or, say, having to go and live in Ukraine if they do not wish to do so. I believe that our sailors—this is an unambiguous impression I have gained from meetings with Commander Baltin, with the officer corps and even with sailors on board the vessels—will carry out the orders of Commander Baltin, who was appointed and is answerable to two presidents, the president of Russia and the president of Ukraine.

[Kiselev] Many people are now voicing the supposition that there is a link between opposition activities—let's say, those of the National Salvation Front—and events occurring from time to time on the Black Sea Fleet. Do you feel this?

[Kozyrev] Yes, and unfortunately I have to say that not only there but in many other places too the rash actions of our opposition and of some of our politicians amount to attempts to win cheap political authority, committed without heed for the fact that they affect the destinies and lives of and pose risks for millions—or at least for hundreds of thousands—of people in Sevastopol and in Crimea and aboard the Fleet itself. Nothing would be simpler than to ignite this conflagration. To strike a heroic pose—I could do so right here in the course of this interview, if I were to announce: Yes, the fleet is ours. We will not be seeking civilized approaches or solutions. Crimea is also ours. But then what? Are we going to fight our Ukrainian brothers? So it goes without saying that the rash pseudopatriotic actions of our opposition are actually equivalent to the stance taken by Father Gapon [agent provocateur who worked for the Czarist secret police] who earlier in Russian history launched irresponsible appeals leading, as you will recall, to the bloodshed of what came to be known as Bloody Sunday [9 January 1905 in St. Petersburg]. The actions of the National Salvation Front are deeply rooted in the Gapon mentality, as are those of—again I have to say, unfortunately—certain prominent political figures.

Writes on Peacekeeping Issues

MK0607114093 Moscow SEGODNYA in Russian No. 31, 6 Jul 93 (Signed to Press 5 Jul) p 3

[Article by Russian Federation Foreign Minister Andrey Kozyrev under "Conception" rubric: "Partnership in Maintaining Peace"]

[Text] "One should be ready to give the toughest, most ruthless rebuff to those who lift their hand against peacekeepers. In individual cases we shall also have to exercise the right to self-defense under Article 51 of the UN Charter. Sometimes against an obvious but 'elusive' terrorist attacker, striking a blow furtively, from behind our back."

Seventy conflicts are raging or still smoldering in our small world. Such are the implacable statistics from a report by UN Secretary General Butrus-Ghali. Newspaper headlines "The Karabakh Conflict," the Bosnian conflict, the Abkhaz conflict.... have become commonplace and therefore abstract notions. And before my eyes is the real face of war which, as I have had occasion to see over the last year, is equally terrifying in all parts of the world.

Where is the planet heading, a planet that has just liberated itself from the threat of nuclear war, which up until recently seemingly overshadowed all problems?

What is the way to stop the madness of aggressive nationalism, ethnic purges, and clashes of political ambitions?

Having created the United Nations, the world community recognized the unity and indivisibility of that world in all of its diversity. The laws of interstate intercourse, the rules of civilized conduct have found their expression in the UN Charter. In the context of global confrontation, however, it would have been unrealistic even to think of creating a mechanism ensuring an effective observance of the Charter.

In recent years the world community, even if painfully, is evolving toward unification of the norms of conduct not only between states but also within states. This has manifested itself in the development of a universal concept of human rights which, in spite of opposition from a number of countries, was confirmed at the recent world human rights conference in Vienna.

Also evolving is the concept of peacemaking and mechanisms of conducting peacekeeping operations. The new generation of conflicts calls not only for "keeping the peace," but also for an ability to "enforce" it.

The present day peacekeeper is a soldier armed with modern weapons and also a diplomat with a perfect command of the art of persuasion.

More than 10,000 Russian military servicemen are taking part in peacekeeping operations in the CIS and outside it. And if we add here humanitarian aid specialists and diplomats regularly operating in conflict zones, their number will be substantially higher.

The disappearance of the "main foe" on one hand and the presence of pockets of instability along the perimeter of the Russian borders on the other, make peacekeeping activity one of the key means of ensuring our national security. Via peacekeeping, Russia, along with its neighbors, is implementing a special responsibility for the maintenance of stability on the territory of the former USSR. And not only this. As a permanent UN Security Council member, a participant in the CSCE, Russia bears its share of responsibility also for stability on a Europe-wide and worldwide scale.

Unfortunately, not everyone in this country has perceived these changes. For some, participation in peacekeeping operations is still synonymous with combat operations on foreign territory from a distant past. With some the fervor of cold-war rivalry with the West is still alive. At the same time Russia's security today to a large extent depends on how effectively it will reorient its armed forces from the task of dealing with global confrontation to an ability to extinguish local conflicts within the framework of the principles of law and democracy.

In so doing, one should be ready to give the toughest, most ruthless rebuff to those who lift their hand against peacekeepers. In individual cases we shall also have to exercise the right to self-defense under Article 51 of the UN Charter. Sometimes against an obvious but "elusive" terrorist attacker, striking a blow furtively, from behind our back. This was what happened recently with a planned attempt on the life of former U.S. President George Bush.

Not to respond in kind, to engage in futile moralizing in such cases would be tantamount to conniving with terrorism. This is why we stated that the U.S. reaction has been substantiated but only insofar as it is based on the principles of self-defense. Similar positions have been upheld by virtually all countries of Europe, by Japan and Korea, and finally it was in this vein that the UN Security Council discussed the issue.

At work here is a natural reserve of mutual trust of democratic states. Thus, already now our partners in the Security Council take Russia's word when it talks about the need to defend the Tajik border or about peacekeeping operations with the participation of Russian troops in the Dniester region. How far removed from genuine principles of morality are the false lamentations over the U.S. action in Iraq by the "war party" champions in our Supreme Soviet, whose voices have been joined by the perennial advocate of indecisiveness and the "socialist option"—the former USSR president!

Just like the United States, Russia cannot escape a great power's burden of responsibility. Not of a "Soviet" type, but a democratic one, which sometimes presupposes bold actions in defense of peace, law, and order, against chauvinists and terrorists of every description. In this event democratic countries will understand us just as they understood the United States. Especially given that the problem of rebuffing new challenges to stability is confronting the entire world community.

Many states and regional organizations are working away to resolve it, which has once again been demonstrated by a recent session of the North Atlantic Cooperation Council [NACC] in Athens, where Russia, together with its partners, managed to outline some new directions of this organization's activity in the sphere of peacekeeping.

It was pointed out that the basis for effective peacekeeping efforts is provided by the clear-cut hierarchy of political responsibility—from the UN to the CSCE to the NACC. At the next tier NATO mechanisms also fit in; those could be used but only under a clear mandate from the UN Security Council and corresponding CSCE bodies. Naturally, so far this does not involve the CIS countries, which would for the most part have to straighten out their own problems, although on the basis of the same universally recognized norms.

Still, cooperation within the NACC framework is useful for us as well as for other countries as an instrument of positive partnership with the NATO countries in protecting peace.

What are the ways for further movement in this area?

First. To speed up the formation of an effective security system on the European continent. Now that the threat of a premeditated attack in Europe has been reduced to a minimum, with interethnic problems being the most probable—as well as the proliferation of weapons of mass destruction, terrorism, and so forth—building up the potential, including with NACC capabilities, is the best possible alternative to the expansion of a particular union or the creation of particular "buffer zones." We have already tried to shut ourselves off from each other—now it is time to start learning to collaborate.

Not only must Russia not lag behind others but it itself must take bold steps toward ensuring rapprochement between "East" and "West" since any other way of "countermovement" is fraught with imbalances and suspiciousness.

Joint peacekeeping activity is also a radical measure of trust. Hundreds of mutual inspections will not create such an atmosphere of mutual understanding as will partnership in maintaining peace.

Second. To open a channel of constant communication between the NACC and the CSCE. The need for it is obvious both for ensuring the priority of the CSCE's political role, which is recognized by all, and for a rapid resolution of organizational and technical matters of specific peacekeeping actions. Furthermore, within the CSCE framework it is easier to use the rich experience of participation in peacekeeping operations accumulated by Sweden, Austria, and other European states. In the future the CIS could also become a serious help for the CSCE along with the NACC.

Third. To continue the development of peacekeeping operations within the UN framework and deal with problems involved. In particular the NACC could participate in preparing a UN secretary general's report on enhancing the effectiveness of peacekeeping operations.

Fourth. To build up counteraction to aggressive nationalism, including via internal prevention of conflicts. This means protection of universal human rights, and of the rights of ethnic and other minorities without any double standards.

Fifth. To collaborate in the material sphere. Given the increasing burden of peacekeeping borne by Russia, it is quite natural for us to raise the question of financial and material assistance on the part of the world community. After all, let us say, ending instability on the Tajik-Afghan border or stopping drug trafficking from Afghanistan to Europe via Tajikistan, which Russian and CIS peacekeeping forces and border guards are now doing, is in the common interests.

And finally, the most important thing. The situation in the former Yugoslavia should become the touchstone for all conceptual developments by the NACC, using the possibilities of NATO and other peacekeeping structures. The creation of safety zones in Bosnia and Herzegovina and other possible measures aimed at ensuring a consistent progress of political settlement, which has barely appeared in the course of ongoing direct negotiations between the conflicting sides—everywhere the experience and practical assistance on the part of NACC members are necessary both on an individual and on a multilateral basis.

From time immemorial one of the main criteria of appraising a state's power has been its preparedness to wage war. Now this is increasingly an ability for effective peacekeeping. Along with an economic, scientific, and cultural potential, it will in the near future be the main factor in determining the place of a particular power in the community of united nations.

Official Statement Urges Belgrade To Free Draskovic

AU0707091293 Paris AFP in English 0834 GMT 7 Jul 93

[Text] Moscow, July 7 (AGFP)—Russia urged Belgrade on Wednesday to release Serbian opposition leader Vuk Draskovic in an official statement stressing that his guilt has "not been proven" and hoping he will be given a fair trial.

The statement released by the Russian presidency said Draskovic, was "a writer well-known in Russia".

The Russian public was "worried about his state of health and joins in the calls for his release before his trial, which we expect to be objective and legally impeccable", the statement said.

Draskovic, who announced Thursday that he was starting a hunger strike, is being held with his wife Danica in a Belgrade clinic where they are receiving treatment for injuries sustained when they were beaten by police during their arrest a month ago after clashes erupted during an anti-government rally that left one policeman dead.

On Tuesday Serbia's Supreme Court upheld a Belgrade court decision that Draskovic and his wife be kept in custody, rejecting an appeal by the couple's lawyer, the Tanjug news agency reported.

The Draskovics' detention has been condemned by human rights groups at home and abroad. On Tuesday, French First Lady Danielle Mitterrand, visiting Belgrade as head of the France-Libertes foundation, proposed in a meeting with Serbian President Slobodan Milosevic that they be given asylum in France. But she was rebuffed.

Her visit followed a march Sunday by some 10,000 people marched through the streets of Belgrade to demand the release of the Draskovics.

Chechnya To 'Stand By' Estonia in Clash With Russia

WS0507133693 Tallinn BNS in English 1145 GMT 5 Jul 93

[Text] Tallinn, July 05, BNS—The Republic of Chechen says it's not going to stand idly by if Russia uses force against Estonia.

Advisors to Chechen President Dzhokar Dudayev said that, while they hope Russia won't resort to force, Chechnya plans to stand by Estonia.

Dudayev led the Soviet Air Force strategic bombers regiment that was located in Tartu. Dudayev has repeatedly expressed his support for Estonia.

Estonia's Alien Law Termed Bid for 'World Attention'

WS0507150993 Tallinn BNS in English 1045 GMT 5 Jul 93

[Text] St. Petersburg, July 05, BNS—Estonia's leaders adopted the aliens law to draw world attention and create a conflict out of nothing, charged St. Petersburg Mayor Anatoliy Sobchak in a news conference Sunday [4 July].

World attention focused on the Baltic countries after they regained independence, he said, and they hoped for Western help to set them quickly on their feet.

"But nobody is going to help them modernize their industry and found new enterprises or give them credits," Sobchak said.

"Estonia and Latvia are not of great interest to the West right now," he said. "Feeling themselves slighted, Estonia's leaders decided to apply the aliens law."

Sobchak said the Russian immigrants had done a lot for the Estonian economy, but now they would be "deported" in return.

"I am greatly worried about what is taking place in Estonia," said Sobchak.

The leadership of the Leningrad district also termed the aliens law "the law on ethnic discrimination against our compatriots." District authorities urged the Russian president and the parliament to do their utmost to prevent the aliens law from taking effect.

Shokhin on Gas Prices, Economic Ties With Ukraine

WS0607135893 Kiev HOLOS UKRAYINY in Ukrainian 2 Jul 93 p 6

[Interview with Vice Prime Minister Aleksandr Shokhin, by Volodymyr Skachko: "Taking into Account Certain Good Relations Between Ukraine and Russia," place and date not given]

[Text] [Skachko] Viktor Chernomyrdin has spoken about the possibility of raising natural gas prices to the world level by the end of 1993. Is this possible?

[Shokhin] President Kravchuk was the first to suggest this. In order to develop this idea, a certain scheme has been drafted with regard to the gradual increase in gas prices and tariffs for Russian gas transit to Europe via Ukrainian territory. The draft stipulates that by the end of 1993, the price of Russian gas will be $80 per 1,000 cubic meters [c.m]. This is lower than the world price because we sell gas at $90 per 1,000 c.m. to many countries. The transit tariff should be the same as in the neighboring states—about $1.50 for every 1,000 c.m. shipped 100 km. Today, we are trying to coordinate the trajectory of the increase in prices and to determine its starting point which is some 42,000 rubles [R] per 1000 c.m. of gas in June. We are also trying to determine the starting point for bringing transit tariffs in accordance with world prices.

[Skachko] President Kravchuk has declared that Russia will grant Ukraine a technical loan. Have the volume and terms of the loan been agreed on?

[Shokhin] This is not a technical loan; this is a state loan. An agreement has been signed on it. The sum is not very big compared to what Ukraine has applied for—it is about R250 billion. However, it is possible that the final figure will be stated after the Russian Supreme Soviet makes final decisions on the volume of loans granted to CIS members. I mean that this sum must reflect the national debt and the state budget. The sum approved by the Supreme Soviet permitting, we will certainly increase the loan to Ukraine.

[Skachko] Has Ukraine applied for more than R3 trillion?

[Shokhin] Yes, it has.

[Skachko] What does the free trade agreement mean in practice?

[Shokhin] It means that custom fees for goods imported by Russia from Ukraine will not be introduced on 1 July. Russia has applied for membership in the General Agreement on Tariffs and Trade [GATT]. If the free trade agreement had not been signed, we would have had to cancel all the previous agreements on canceling import custom fees for Ukrainian goods imported by Russia.

[Skachko] Thus, lifting import fees would have been a violation of international trade rules?

[Shokhin] This would have been a violation of all the GATT regulations. Most favored nation status means that advantages granted to Ukraine might have become advantages for all of the other 130 states enjoying the same status in their relations with Russia. Of course, Russia would never do this. This might seem strange, but it was Russia that insisted on signing the free trade agreement and saving bilateral trade relations from ruin. There was a danger of ruining them.

[Skachko] Has a "zero variant" agreement been signed on debts and assets of the former USSR?

[Shokhin] It has not been signed, but I think that it will be signed in the near future. The Ukrainian delegation pretended that it saw the document for the first time ever, although it had been drafted by the Russian side, signed by me and sent to Kiev two months ago for consideration. We thought that we would be able to sign the document during our visit to Kiev. We brought the draft with us, but the Ukrainian leadership declared that they had not seen the document before and that they needed time for consideration.

[Skachko] Does the document stipulate the transfer to Ukraine of 36 facilities abroad? Will this be done in return for accepting the zero variant?

[Shokhin] In the Russian side's opinion, the zero variant is in no way connected with transfer of any facilities. Zero is zero. Next year, Russia will have to pay $16.5 billion dollars of the former USSR's debt, while Ukraine has been exempt from these payments. We will probably reach an agreement again with the Paris Club on the deferment of payments, but even if we succeed, we will have to pay a couple of billion dollars. Paying back the debts and giving away property would be nonsense. For this, the Russian legislature could have demanded the Russian Government's resignation. However, taking into account certain good relations between Ukraine and Russia, we adopted an agreement some time ago and confirmed it a week ago in Zavidovo. In accordance with the agreement, a number of facilities can be submitted for use by Ukraine. This means that Russia will preserve the right of ownership. Ukraine suggested a list of these facilities long ago, but we must keep in mind that this is no exchange for the zero variant. We must review the list and consider the possibility for submitting parts of the facilities for use by Ukrainian diplomats. Only then will the problem finally be settled. In our opinion, by the end of 1993, we will be able to give final answers regarding how much property and what kind of property should be transferred, as well as where this should be done.

Exchange Rate Benefits Ukraine on Fleet Funding

PM0607091593 Moscow KOMSOMOLSKAYA PRAVDA in Russian 3 Jul 93 p 1

[Olga Gerasimenko report: "Who Will Maintain Black Sea Fleet?"]

[Text] The agreement of 17 June 1993 between the two presidents implies the Black Sea Fleet's "equal" division between Russia and Ukraine. According to this document the fleet is funded "50-50" by both sides.

However, we were informed by the Russian Federation Supreme Soviet special commission on the Crimea, citing the Russian defense minister, that when the calculations were made last year's Russian-Ukrainian exchange rate of one ruble to two coupons was used.

But now it is officially twice as high in the ruble's favor. Thus, right from the start 75 percent of all upcoming expenditure has been shifted onto the Russian economy's shoulders, and it is considerable.

Russian parliamentarians were the first to become indignant. On 30 June this year the Russian Federation Supreme Soviet instructed the two special Supreme Soviet committees to draft a decree envisaging the Black Sea Fleet's complete transfer to Russia's "balance sheet."

But now, we have learned from unofficial sources, the Ukrainian side is actively carrying out an action in Sevastopol concerning the forcible taking of the oath of loyalty to Ukraine...among pensioner sailors. Furthermore, those not falling into line with the authorities' charade have been refused their legal pension.

Ukrainian Claims of Russian Threat Called 'Scare Tactics'

PM0607132393 Moscow PRAVDA in Russian 3 Jul 93 p 2

[Mikhail Odinets report: "How They Like To Employ Scare Tactics. Why Talk of a New Munich Has Started"]

[Text] Kiev—Although Ukraine's leaders give assurances that the young state cannot survive without links with Russia, mass media attacks on their northeastern neighbor have increased in frequency. Russia is used to intimidate and scare people as the potential aggressor. GOLOS UKRAINY, the Ukrainian parliament newspaper, for instance, often presents Russia using expressions like "police functions," "imperial tendencies," and "gendarme functions." And these expressions often come from people who decide the country's foreign policy.

Thus, D. Pavlychko, chairman of the Ukrainian Supreme Soviet's Standing Commission for Foreign Affairs, says: "In its relations with Ukraine, Russia counts on creating as many problems as possible and resolving them as slowly as possible." His deputy B. Goryn in turn claims that Russia's proclaiming its intention to be the guarantor of peace and security harbors a blatant threat... And a Ukrainian Foreign Ministry figure warned that given the world community's negative attitude owing to the delay in ratifying the START I Treaty, Ukraine may fall into a trap—and "be left cheek by jowl" with Russia. Typically, all these fragments cited in the press are said in New York, Berlin, and Brussels.

Voices sound more effective from abroad—that is evidently what the politicians intimidating the Ukrainian people with the thought of Russia think.

The newspaper imagines that another Munich is approaching and raises questions designed to evoke associations with the situation in Ukraine today: Could the world community have helped Czechoslovakia in 1938, although [as published] the republic was a member of the League of Nations and by that time had a bilateral mutual assistance agreement with France and the USSR? What could the world community have done in 1939 when Ribbentrop and Molotov carved up Europe? Could Poland, also a member of the League of Nations, have been defended then?

That is the analogy. One must conclude from it that Ukraine has no one on whom it can rely, it must remain a nuclear power. Although the results of that are well known.

As for Molotov, it is as if the author and the editorial office of the Ukrainian Supreme Soviet's newspaper do not know that during the difficult times of fall 1939 it was down to the efforts of the Soviet Union and owing to its skillful policy that the Ukrainian people were reunited in a unified state. But the newspaper is not keen on historical truth, it seems more beneficial for it to scare the world with the nuclear conflict between Russia and Ukraine.

Ukrainian Ambassador on Nuclear Weapons, Crimea

PM0607135793 Moscow ROSSIYSKIYE VESTI in Russian 6 Jul 93 p 2

[Interview with Volodymyr Krzhanovskyy, Ukrainian ambassador extraordinary and plenipotentiary in Moscow, by Aleksandr Bondar; place and date not given: "Russia-Ukraine: Not Necessary To Throw Rocks at Each Other"]

[Excerpt] The ambassador assessed the situation in Ukraine as very serious. Recent weeks have exceedingly exacerbated the economic situation. Many people have a sense of hopelessness and apathy. There have already been proposals to introduce rationing and do at least something to support those most in need. There are no longer any cheap dumplings or cheap lard in Ukraine, the ambassador joked sadly.

[Bondar] Two years ago, when Russia was switching to the market, many people saw it as a kind of operation without an anesthetic. But now few people can still be optimistic or have any faith in a bright capitalist future....

[Krzhanovskyy] I do not understand why the idea should have spread that Ukraine was two years behind in repeating Russia's experience. My republic has not entered the market yet! We have no fully elaborated concept for reform. The current situation in the republic is due to Russia having raised the price of energy supplied to Ukraine many times over. For my country, which has not yet begun real market reforms, this has been catastrophic. There is simply no other definition I can choose. Ukraine has nothing to pay its bills with. The market is not setting prices in our country, and the state has been forced to raise them. That's the first point.

Second, we are not only in no way repeating the Russian route—rather, we are demonstrating what Russia can expect in the very near future. Remember how Minister Yuriy Shafranik recently delighted Russians by promising that energy prices could triple by the end of the year? I think that the situation will be somewhat similar to what is currently happening in Ukraine.

It will be easier for our countries to overcome our difficulties if we rely on economic cooperation. Naturally, we advocate an economic commonwealth. Leonid Kravchuk's desire to talk about an economic commonwealth rather than a union should not be considered a reservation. There is no sophisticated Ukrainian cunning in this. We advocate a commonwealth, but only once we have carefully looked into all aspects—particularly price correlations. If world prices are to be used, they should be world prices on both sides.

[Bondar] It is said that Ukraine is planning to build a tanker fleet and terminals in the Black Sea so as not to be strictly dependent on Russian oil....

[Krzhanovskyy] The plans are in place, but they are a long way from being implemented. As for dependence on oil shipments from Russia.... Our neighbors' oil extraction is falling, major investment in the sector will be needed, and I believe that Ukraine will be actively participating in this. Terminals on the Black Sea could be useful for Russia as well as for us. The post-communist experience has shown each of us that living independently does not mean living in isolation. Some whiz kids in Moscow stated not so long ago that Novorossiysk should become Russia's main naval port in the Black Sea and that a state-of-the-art sea port should immediately be built in Taganrog. Everything is possible, of course, but should we be straining ourselves today, given our states' straitened circumstances? Would it not be better to solve our problems using what we have? But, once again, without double standards. Everyone should benefit.

[Bondar] Mr. Ambassador, could you shed some light on the nuclear weapons situation in Ukraine?

[Krzhanovskyy] Nuclear weapons will be eliminated. But Ukraine needs guarantees. First, security guarantees. At the meeting between our presidents, Boris Yeltsin expressed readiness on Russia's part to give a guarantee. It is planned to conclude a corresponding political treaty.

Second, we need economic guarantees. Ukraine has given up tactical nuclear weapons, but when the issue of compensation for expenses arose, we heard: "What compensation?" Has a deal been done? Forget about it! But at the moment we need every karbovanets, and we would like to receive appropriate reimbursement for the expenses we incur in eliminating the weapons. There is an opinion that Russia alone produced nuclear weapons so it should eliminate them and be compensated. What right has Ukraine to be making demands, they say? This is wrong! A large proportion of the work done on nuclear complexes was done by Ukrainian enterprises. Now, it seems, attitudes are changing—the United States, for instance, is beginning to agree with our position.

We must not force the pace of events, we must not coerce or twist arms. But, for instance, I read the following in the newspaper ROSSIYA: "Ukraine is slightly pregnant with nuclear weapons." Gentlemen, please allow us to be masters in our own home. You do not always have to look for something.... malicious in all our actions. We have the right to make our own decisions and we are not trying to deliberately act to anyone's detriment.

The external fuss made about our internal affairs has nothing to do with anything. Quite honestly, in certain Russian circles this is starting to resemble the hunt for an enemy. It is a tragedy: There used to be an enemy—the United States. Now there isn't. Who can we fight? Where can we direct our seething energies? Fables are starting to be put about claiming that, when taking the military oath of loyalty to the republic, officers are asked if they would fight Russia.

[Bondar] Yes, that has been said. Is it a fabrication?

[Krzhanovskyy] Totally! After all, do officers ever get asked if they're prepared to fight? That's their profession—to defend the fatherland against aggressors. But talking about a possible war between Russia and Ukraine is just plain absurd and criminal. It could not happen in our worst nightmares. We have had disputes, differences, and discussions—we are having them now and will continue to have them. That is normal. You cannot agree positions without them. But a war....

Or take the Crimea. Borders are not changed without bloodshed! People at the top level of the republics are perfectly well aware of that. But some still want to play the "Crimea card." The Crimea is part of Ukraine, and the opinion of all of Ukraine should probably be taken into account. It is very easy to take border claims to absurd lengths—that is a risky and explosive subject. Just look at the Balkans....

[Bondar] Nonetheless, you will agree that there is a sentiment in the Crimea that advocates unification with Russia.

[Krzhanovskyy] There is. Just as you can find sentiments advocating the opposite. But does this all need to be whipped up? It is very easy for people to quarrel. It is harder to make peace. When the referendum on Ukrainian independence was held in 1991, I received the following letters from the Crimea: "Do you want to buy us white bread? We'd rather have black bread but stay with Russia." Now people write: "Do not force us to eat your black bread. Russia will give us white." But, after all, when it comes down to it, nobody will give anyone anything. Things are tough in our country, but Russia is no bowl of cherries either. We need to pull together to get out of the crisis. Everyone in the Crimea should have a good life. Any ill-considered upset will always offend someone and trigger an explosion.

[Bondar] The Donbass too is said to be thinking about independence....

[Krzhanovskyy] I know the people who claim that. That is more about speculation than truth. The changes have left them out of power. There are such people in Russia too. They have no interest in what happens to our republics—they want to get their power and authority back at all costs. These people are also campaigning to recreate the old Union. The Donbass has been coming out on strike at the drop of a hat, even though the situation in other regions is far more serious than in the east of the republic. The miners' demands can be understood. But just how far they are currently feasible is another matter. Certain figures, with a very tenuous connection to the miners, have been putting forward slogans about regional autonomy on the back of the wave of strikes.

Two years ago Ukraine liberalized coal prices. This may have been a mistake. Coal increased in price and dragged up other prices with it. Suppose the Donbass gained full economic autonomy—then what? Coal prices would skyrocket, and the ensuing wave of price rises would hit the miners too. No, Ukraine will survive if it is united. Each region will help the other, rather than living off the others. That is my belief. [passage omitted]

Georgian Envoy Warns Against Support of Abkhaz Separatists

LD0207171193 Moscow ITAR-TASS in English 1647 GMT 2 Jul 93

[By ITAR-TASS diplomatic correspondent Vladimir Suprun]

[Text] Moscow/Tbilisi July 2 TASS—Further Russian support of Abkhazian separatists may have catastrophic consequences for the Georgian-Russian relations. If Sukhumi and Ochamchira are seized, an outburst of anti-Russian feelings is possible in Georgia and there will be more refugees, Georgian ambassador to the Russian Federation Valerian Advadze told a news conference here today.

The ambassador commented on sharp deterioration of the situation in the Georgian-Abkhazian conflict zone.

In his words, neither the majority of Georgian residents nor he doubts "if Russia had not observed neutrality and assist Abkhazians there would have been no the current outburst of military activity and the conflict itself". [sentence as received]

The ambassador referred to alleged "irrefutable evidence" Georgia has on direct Russian military support to Abkhazian units, including Georgian Secret Service's radio intercepts of ciphered and open conversations of Gudauta and "the Russian military command". To substantiate his words, the official also said, according to "specified information", nine ships, including a dry cargo ship and two high-speed cutters, took direct participation in today's Abkhazian landing. The ships then left for Gagra and Sochi.

Advadze told correspondents he had a telephone conversation with Eduard Shevardnadze. Before leaving for Sukhumi, from where the Georgian state head now controls the country, he said, in the ambassador's words, "if there is no betrayal, we will keep the town".

"The only way to settle the conflict is cease-fire and further dialogue between the warring sides," said

Advadze. Unfortunately, negotiations of Georgian plenipotentiary Sandro Kavsadze and Abkhazian representatives, which began in Moscow today, have so far brought no results, as "it seems the latter do not have sufficient powers".

Asked by ITAR-TASS on further prospects for the conflict development, the ambassador said if Abkhazian units use all their armaments "everything alive will be destroyed in Sukhumi".

* * *

At the same time, the Georgian News Agency reports, Georgian Foreign Minister Aleksandr Chikvaidze invited today to the Foreign Ministry representatives of U.S., German, Turkish, Iranian and Chinese Embassies and the U.N. permanent representation to acquaint them with the appeal of Georgian parliament and state head Eduard Shevardnadze to U.N. Secretary-General Butrus Butrus-Ghali in connection with the aggravated situation in Abkhazia.

The appeal requests the convocation of a special meeting of the U.N. Security Council in connection with the current situation and the fact escalation of combat operations will inevitably lead to unpredictable consequences in the explosion-prone region.

Foreign Ministry Brokers Peace Talks

LD0307005293 Moscow ITAR-TASS World Service in Russian 2245 GMT 2 Jul 93

[By ITAR-TASS correspondent Vadim Byrkin]

[text] Moscow, 3 Jul—As of midnight, the Abkhaz delegation at Friday's [2 July] talks with Georgian representatives, which were brokered by the Russian foreign ministry, failed to respond as promised on signing a cease-fire and ways of upholding it, ITAR-TASS was told tonight by Valerian Advadze, Georgia's ambassador to Russia, who was quoting Aleksandr Kavsadze, a personal representative of the Georgian head of state and chairman of parliament.

The ambassador, cheerful despite the strains of an anxious night, said that the text for the cease-fire had been drafted and discussed on Friday, and all that remained was a reply from the Abkhazians. The previous day, the Ekho Moskvy radio station reported Kavsadze's prediction that the Abkhazians would reject the agreement, in which case he would again raise the issue of bringing UN peacekeepers into Abkhazia.

The ambassador told ITAR-TASS that Georgia is preparing a statement for release today. According to his information, the Russian deputy foreign minister and Boris Pastukhov, Yeltsin's personal envoy and Russian deputy defense minister Col-Gen Georgiy Kondratyev are to fly to Gudauta and Sukhumi in the morning.

Commentary Views Moscow's Position

MK0607133093 Moscow NEZAVISIMAYA GAZETA in Russian 6 Jul 93 p 3

[Liana Minasyan commentary in "Opinion" rubric under general headline: "Tamysh Landing. Abkhazian Offensive Nadareishvili Had Cautioned Against Took Place"]

[Text] Once more in the Abkhazian conflict, political accords have not been matched by the intentions of the warring sides: The half-destroyed Sukhumi has perhaps assumed symbolic rather than strategic importance, while its loss by the Georgians or its return to Abkhazian control marks the stage where the sides may be forced to embark on negotiations.

One had to gather from Russian Foreign Minister Andrey Kozyrev's statement, made the day before yesterday, that Russia is ready to resort to economic pressure as a form of compulsion for peace talks. It did not follow from that statement, however, that Moscow was also capable of imposing an embargo on the arms streaming into the region of the conflict, nor that the sides, who are fighting with Russian arms, would welcome yet another peacemaking effort of the Russian Foreign Ministry while making amends for the simultaneous military support for them from the north.

Incidentally, mutual accusations to the effect that the enemy in the conflict abuses support from one or another political force in Russia could mean that the northern neighbor is trying to keep either combatant within the zone of its political influence, which signifies that an alliance with either antagonist will necessarily depend on a changing situation. Russia, to all appearances, does not take the risk of relying on specific political leaders, even on those who plead loyalty and even in those places where there exist the historical and political inclination to integrate with it. Gambling on specific figures, when the "pendulum effect" alters the situation to favor one and then another grouping, is prohibitive: staying a political course depends on one's personal connections, and in the final analysis on the fact that changes of power are not always legitimate or have the trappings of decency. The need to maintain the stability of a pro-Russian government also takes considerable "donor" injections.

Today Russia is looking for a parallel mechanism to keep its influence in the post-imperial space. One such mechanism is federalization, whose development in Russia itself is seen as a threat to state stability. Objectively, this process is going on also in the post-Soviet countries regardless of outside influences, in Georgia in particular. Remarkably, it follows not only the principle of ethnic, but also territorial (Samegrelo), entities, which are potentially autonomous. Seen from Tbilisi, all that is also perceived as a threat of territorial splits. Seen from Moscow, it is perhaps conceived as an opportunity to dissociate itself from the nostalgic great-power proponents of a restored Union and gain a lever to influence the neighbors. The more so because most of the rebellious "separatists" are frankly pro-Russia. It seems that it is this process (especially following the "cue" from Russian government circles—a statement about a federative system for Georgia) that is unfolding in Transcaucasus at the moment.

Belarus Delegation Signs Credit Agreements in Moscow

WS0707092493 Minsk Radio Minsk Network in Belarusian 0505 GMT 7 Jul 93

[Report by Sergey Bulatskiy from the "At the Council of Ministers" program]

[Text] Last week, a government delegation led by Council of Ministers Chairman Vyacheslav Kebich, held intensive negotiations in Moscow with their Russian colleagues led by Prime Minister Viktor Chernomyrdin. The negotiations resulted in signing three agreements—on mutual obligations and claims connected with using the Russian ruble as a legal tender on Belarusian territory; on the state loan granted by Russia on the basis of evaluating the results of economic and trade relations in 1992 and the first half of 1993; and on the state loan for 1993. This year, Russia will grant Belarus 70 billion rubles worth of loans. At the negotiations, a decision has been made on urgent [word indistinct] of an economic union on a bilateral basis.

Moldovan Envoy Briefs Press on 14th Army Withdrawal

MK0207123093 Moscow NEZAVISIMAYA GAZETA in Russian 2 Jul 93 p 2

[Natalya Pachegina report under the "Moldova" rubric: "Transnistria's Prospects Still Unclear, Even for Chisinau"]

[Text] The press conference at the Moldovan Republic embassy in Moscow on the subject "The Dniester Region: Prospects for Political Settlement" focused on the agreement signed between the Russian Federation and Moldova last week on the withdrawal of the 14th Army from the republic's territory.

Anatol Taranu, Moldovan ambassador to Moscow, once again drew the audience's attention to the existing differences between the contracting parties with regard to both the timetable of the 14th Army's withdrawal and the process of "synchronization," linking its pullout to the political settlement in relations between Chisinau and the Dniester Region Moldovan Republic. According to Taranu, it took Moldova much more effort to reach an agreement on the timetable of the Russian troops' withdrawal (the final date of the withdrawal is 1 July 1994) than to conduct talks on a political settlement with the leaders of the Dniester Region. Chisinau, the ambassador claimed, is ready to present such a timetable within a week or even two hours. The republic's current authorities, Taranu said, "are different," which, in his view, guarantees an entirely unconventional approach to the problems of relations between Chisinau and Tiraspol. In any event, the ambassador pointed out that the events in the Dniester Region, which have been described in Moldova as a national tragedy, will not give grounds for the persecution of political opponents. Furthermore, the economic reforms planned in Moldova are unthinkable in conditions of confrontation with Tiraspol, of which Chisinau is well aware.

As for the "prospects" of a political settlement in Transnistria (Moldovan for "the Dniester Region") announced in the title of the press conference, although none of them proved unfamiliar, it is evident that talking about the future—that is, about settlement prospects—makes sense only if the Chisinau-Tiraspol dialogue is under way. So far, however, the "prospects" in that regard are not so cheering. Moldova still does not see a worthy counterpart on the "left bank," as it does not actually see a subject for the talks, either.

Stepashin on Russian Troop Withdrawal Program

LD0507093293 Moscow Mayak Radio Network in Russian 0830 GMT 5 Jul 93

[Text] Approximately 600,000 servicemen from the former Soviet Army have now been withdrawn from Germany, the countries of Eastern Europe, and the Baltic states. This was stated by Sergey Stepashin, representative of the Parliamentary Committee for Defense and Security. He said in an interview with journalists that there are plans to withdraw another 180,000 servicemen from Germany, the Baltic countries, and the Transcaucasus by the end of 1994.

Stepashin said that the situation of the Russian troops in Latvia and Estonia is a very acute issue at present. Their status is undefined; they are constantly experiencing discrimination and often provocations, including armed provocations. In these conditions the Russian president has adopted a decision to suspend the troop withdrawals.

Economic Cooperation Talks Begin With Cuban Delegation

LD0507112893 Moscow ITAR-TASS World Service in Russian 0954 GMT 5 Jul 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow, 5 Jul—Oleg Soskovets, first deputy prime minister of the Russian Government, held talks here today with a governmental delegation of Cuba headed by Lionel Soto, deputy chairman of the Council of Ministers of the republic.

Lionel Soto told journalists when the talks were over: "We are reaching agreements that will be beneficial to both sides." According to him today the talks focused on questions of deliveries of Cuban sugar and Russian oil and the expansion of economic cooperation between the countries.

Yuriy Mikhaylov, press secretary of the Russian vice premier, said that both sides noted at the talks that the strengthening of Russian-Cuban economic cooperation should be built on the basis of parity and partnership. The principles of sugar deliveries to Russia and also of Russian crude oil and fuel oil [mazut] to Cuba were agreed. The question of the procedure for mutual payments and the fulfilment of export delivery commitments assumed earlier by the sides was raised also.

It was decided as a result of the talks to instruct experts of the two countries to examine in addition problems of keeping to a well-defined schedule for mutual deliveries and payments. It is expected that a number of documents on commercial and economic relations between the two countries in 1993-1994 will be signed in the near future as a result of the Russian-Cuban intergovernmental talks which began today.

Admission to Council of Europe Being 'Artificially Delayed'

PM0607142593 Moscow IZVESTIYA in Russian 6 Jul 93 First Edition p 4

[Report by Yuriy Kovalenko: "No Place for Russia in European Antechamber"]

[Text] Strasbourg—Russia's membership of the Council of Europe is being artificially delayed, and this, in turn, is placing obstacles in the way of its democratic development and the country's acquisition of relevant European experience.

What is surprising is that Council officials and experts have imposed what is effectively a new condition: the holding of new parliamentary elections and the adoption of a new Constitution. We are not against constitutional refinements, of course, and are ourselves participating in this process. We also envisage new parliamentary elections. But we object to what are normal internal changes for every democratic state becoming an unexpected extra condition of Russia's admission to the Council. Is it acceptable to make Russia wait too long in the European antechamber?

This strong statement was made by a delegation of Russian Supreme Soviet deputies at the current Council of Europe Parliamentary Assembly in Strasbourg. On this occasion the Russians displayed a rare unity in the Palais d'Europe, despite the fact that their delegation included representatives of factions at opposite political poles—from Democratic Russia to Communists, including radicals and centrists.

One year ago, when Russia, having acquired the status of special guest, applied to join the Council of Europe as a full member, the delegation head, Yevgeniy Ambartsumov, chairman of the Russian Federation Supreme Soviet Committee on International Affairs and Foreign Economic Relations, said at a press conference that the Council of Europe leadership made it clear that there were no obstacles to this. But extra, artificial conditions governing Russia's admission have appeared of late.

What has happened? While the Council's leading bodies give such countries as Estonia, despite problems connected with the position of the Russian-speaking population, Lithuania, Slovenia, the Czech Republic, and Slovakia, where there is the problem of the Hungarian minority, and, before long, Romania, the green light to join, Russia has been facing amber for more than a year.

Our diplomats admit that a definite hiccup has occurred at the level of political dialogue between Moscow and the Council of Europe. Because of Estonia's admission to the Council of Europe A. Kozyrev canceled his visit to Strasbourg in May. A visit to Moscow by M. Martinez, chairman of the Council of Europe Parliamentary Assembly, has been postponed for the second time. Perhaps it is premature to talk of a crisis in relations between Russia and the Council of Europe, but Moscow's hopes of joining Europe's most representative organization soon have not been realized.

According to certain politicians, the Council of Europe is not ready to take Russia because the admission of such a big country would inevitably necessitate a review of its structure and a considerable increase in the budget. There is also the serious danger of being buried under a massive heap of Russian problems which Strasbourg would not be able to handle.

However, Council officials continue to claim that relations between Russia and the Council of Europe are developing well, are expressing satisfaction at the "progress that has been made," and cite the extensive program of cooperation with Moscow recently approved at the highest level. And Russian membership remains, a senior Council of Europe functionary told me, the "new frontier" the organization is striving for, its long-term goal.

Maybe too long-term....

Lawmakers Denounce 'Double Standards'

LD0607164593 Moscow ITAR-TASS in English 1553 GMT 6 Jul 93

[by ITAR-TASS parliamentary correspondent Lyudmila Aleksandrova]

[Text] Moscow July 6 TASS—A group of Russian lawmakers representing all parliamentrary factions denounced the Council of Europe for "double standards" in admitting new members and said the approach of the Council to the issue depends on "the political situation".

The reaction followed a visit of the parliamentary delegation to Strasbourg where it attended the Parliamentary Assembly of the Council.

At a press conference on Tuesday lawmakers blasted the Council for failing to resort to tough measures against the recently-adopted Estonia, which Russia says is violating human rights of the Russian-speaking community, and for advancing additional terms for the admission of Russia as a fully-fledged member of the organisation.

"Delaying the admission of Russia under the pretext that it does not have a democratic constitution and has held no multi-party elections is detrimental to the international organisation itself in the final end", said Yevgeniy Ambartsumov, head of the parliamentary committee on international and foreign economic relations.

"We were confused by additional terms which did not initially exist", he added. "Yet in 1991 they were ready to admit the USSR to the Council of Europe without any preliminary agreements", he stressed.

"We do not have an ideal parliament, but it was democratically elected, the constitutional reform is underway, but has not been yet completed", Ambartsumov said, adding that "by our internal conflicts we have ourselves given the argument to the leadership of the Council of Europe".

At the same time Estonia, which Russia accuses of apartheid against Russian-speaking community after the adoption of the discriminative law on foreigners, was "only mildly rebuked" instead of threatening to suspend its membership, according to lawmaker Svetlana Umetskaya.

However, Ambartsumov added that meetings in Strasbourg have exerted certain influence on the leadership of the Council of Europe.

Political Issues

Democrats Warn of 'Anti-Reformist' Trend in Government

LD0607142393 Moscow ITAR-TASS in English 1355 GMT 6 Jul 93

[By ITAR-TASS correspondent Tamara Ivanova]

[Text] Moscow July 6 TASS—Russian radical lawmakers warned on Tuesday [6 July] that "anti-reformist" tendencies begin to dominate in the government and denounced the participation of Prime Minister Viktor Chernomyrdin in a round-table discussion organised jointly with the parliament.

"Anti-reformist forces are becoming active in the Russian Government and revise the results of the April referendum" which voted confidence to President Boris Yeltsin and his reforms, the "Coalition for Reforms" parliamentary group said in a statement at a press conference.

"There are grounds to believe that the transfer of Viktor Chernomyrdin to the alien camp has taken place", lawmaker Anatoliy Shabad said referring to the participation of the prime minister in a round-table discussion organised by Parliament Chairman Ruslan Khasbulatov which adopted on Monday a declaration of economic accord.

However, radical marketeer in the government, Deputy Prime Minister Boris Fedorov, rejected the accusations. He told TASS on Tuesday that the round-table discussion "should be viewed as a rapproachement of positions of the executive and legislative authorities for the sake of the progress of reforms".

He added that the parliament made a step towards the position of the government and that the adopted declaration contains nothing which can negatively affect reform.

Nevertheless, the radical lawmakers warned that "a threat is pending over reforms" and that they may switch to the opposition to the president and the government in case the course of reforms is abandoned.

The "Democratic Russia" movement which supported the president at the referendum has the right "to exert pressure up to a transfer to the opposition if we see that the president and the government are ready to change their positions", lawmaker Gleb Yakunin said.

Premier Voices Support for Roundtable Declaration

PM0607103993 Moscow ROSSIYSKIYE VESTI in Russian 6 Jul 93 p 1

[Unattributed report: "Roundtable"]

[Text] Russian Federation Supreme Soviet Chairman Ruslan Khasbulatov and Russian Prime Minister Viktor Chernomyrdin have lent their support to the draft declaration of national economic accord drawn up for the "roundtable" session of the country's leading political forces that was held in Moscow on 5 July.

V. Chernomyrdin noted that the declaration makes it possible to begin specific talks between all interested parties on the problems of Russia's economic life. At the same time, he pointed out that the government has certain ideas about the need to clarify a number of statutes and documents—specifically as regards budget and foreign currency regulation. The premier stated the expediency of holding a number of major conferences in the very near future with the leaders of regions, entrepreneurs, and economists to clarify the government's current economic policy.

Coup Trial Adjourned Until September

LD0707083393 Moscow Mayak Radio Network in Russian 0730 GMT 7 Jul 93

[Text] The trial of members of the State Committee for the State of Emergency members continued today. Aleksandr Ruvinskiy reports over the telephone:

[Ruvinskiy] You know, nobody thought that today's session would last. People were right. The session has just ended. A check on attendance showed that some lawyers failed to turn up for the session for various reasons. Defendant A.Tizyakov was also absent because he is in the hospital. It has been announced here that his health deteriorated recently. Apart from this, some members of the state prosecution team also failed to turn up for the session. The court heard the opinions of all parties to the trial. They stated basically that they are not interested in prolonging the process but all of them agreed that the trial cannot be continued without Tizyakov .

Apart from this, it was pointed out to the court that the legislative power, the parliament in particular, failed to carry out a court ruling and decide on the participation of the state prosecution team in the trial. The judges decided to adjourn the trial for two months and resume it on 7 September. I will update you on the details during the day's Mayak "Panorama" program.

Yeltsin Ban on Foreign Trips Viewed

PM0707095393 Moscow IZVESTIYA in Russian 6 Jul 93 First Edition p 2

[Report by Sergey Taranov: "Russian President Prohibits Official Trips Abroad at Someone Else's Expense"]

[Text] An edict by Russian Federation President Boris Yeltsin has been promulgated on prohibiting Russian officials from making official trips abroad at the hosts' expense or using money provided by Russian enterprises, institutions or citizens.

This has been done "in order to step up the fight against corruption." Although until recently there had been no known court verdict in which a trip abroad at someone else's expense had featured as an instance of taking a bribe.

But all over the civilized world (aside from the developing countries) state officials' trips not paid for out of official funds are regarded as a clear bribe. One instance is enough for an official's career to be finished, but in the former USSR and in the present CIS this unwritten law has been broken pretty regularly, and without the offender's suffering any consequences.

We are talking not only about top officials in the executive branch (ministers and the staff of ministries and departments, the Council of Ministers apparatus, and president's administration), but also figures at "middle" and "local" level. It has become common practice for governors of oblasts and krays and their deputies, aides, and department chiefs to make trips to faraway and nearby foreign parts. There is a vast number of excuses for packing suitcases: Participation in international seminars, symposiums, talks, presentations, anniversaries, charity functions, and so on. They also found a "convincing" way of explaining to public opinion why a particular official had not turned his nose up at another invitation to "visit" and "participate": His civic conscience does not allow him, apparently, to spend scarce official funds, therefore he has to live abroad at someone else's expense.

But the president's ban by no means extends to the legislative branch. As before, people's deputies are able to discover new countries and cities for themselves at sponsors' expense. Official trips under Russian Federation international treaties remain legitimate, as do those that are made on a mutual basis (for example, the leaders of the education department pay for a visit by a delegationm of colleagues from the United States, and then make a trip themselves to the United States, paid for by their colleagues).

By a strange logic, the president's edict on restricting official trips abroad also included a category of citizens called "keepers of secrets." As the document says, the "Security Ministry has been instructed to intensify controls on foreign travel on personal business by people acquainted with information that constitutes a state secret."

Aleksey Kandaurov, chief of the Russian Federation Security Ministry Public Relations Center, does not rule out the possibility that the security organs might have new conflicts with "keepers of secrets," when the latter decide to go abroad as ordinary citizens. "Restrictions on civil rights—in particular, the more complex exit procedure—are dictated by their deliberate personal choice and by state necessity," Aleksey Kandaurov stressed, and added that in recent years keepers of secrets have been given "unwarranted freedom" during the drawing up of foreign passports. For example, this year Security Ministry staffers had to make an entire group of "military" space experts headed for South Korea get off the aircraft. Cases where holders of secrets suddenly go off to "banana" republics and then turn up in the United States or other developed countries also give rise to suspicion.

According to the Public Relations Center chief, the Russian president's instructions do not contradict the entry and exit law.

TV, Radio Threatens To Stop Broadcasts 13 Jul

LD0607174193 Moscow Russian Television Network in Russian 1600 GMT 6 Jul 93

[From the "Vesti" newscast]

[Text] In Russia television is free. This is why none of us can guarantee that one beautiful day we will not be left without television and radio programs. There is not enough money to pay communications employees. In particular, the staff of television and radio centers in Murmansk, Arkhangelsk, Vologda Oblast, Karelia, and St. Petersburg, as well as others, have warned that television and radio broadcasts will cease on 13 July. The central committee of the Russian Trade Union of Communications Employees believes they will be supported by all collectives because the country's leadership has not yet solved the problem of funds.

Ostankino Owes 8 Billion Rubles in Transmission Costs

LD0607180593 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 6 Jul 93

[By Sergey Suntsov; from the "Novosti" newscast]

[Text] This elegant tower has become the symbol of television in our country. [Video shows Ostankino TV tower, Ostankino headquarters. However, it belongs to the Ministry of Communications. With the increase in the price of technical services, along with the overall rise in fuel prices, the Ostankino Television and Radio Company is in a difficult financial position. As 80 percent of its budget goes to pay for the services of the Ministry of Communications—for the tower and retransmitters—today the company's debt is around 8 billion rubles.

This is just one of the problems which will have to be resolved by the working commission of the Ministry of Press and Information, which is carrying out the instructions of the Russian president to create a state program for the development of the mass media. For example, there are at present in Russia three state television channels and three state companies—Ostankino, Russia's, and St. Petersburg. Citing world experience, the participants in the discussion proposed various options about what could remain state owned and what it is expedient to develop on a commercial basis. On the whole, attention is being focused on creating a well balanced concept of both television and radio broadcasting, and the vital work of press publications.

But for now this tower could be more accurately called a pipeline which pumps money from the state budget via the Television and Radion Company to over 400 enterprises of the Ministry of Communications.

Removal of Court's Bodyguards Seen as 'Crude Pressure'

PM0607154993 Moscow ROSSIYSKAYA GAZETA in Russian 1 Jul 93 First Edition p 2

[Unattributed report: "Breaking and Entering"]

[Text] The first consequences of the removal of the personal bodyguard from the judges and chairman of the Russian Constitutional Court have become apparent.

Constitutional Court Chairman Valeriy Zorkin is entitled to a bodyguard in his capacity as leader of one of the three branches of power, a source stressed. According to that source, the members of the court regard the existing situation as "crude pressure" on the Constitutional Court and its chairman.

All three courts—the Constitutional Court, the Supreme Court, and the Supreme Court of Arbitration—have asked the president to create a special organ for the state protection of the Constitutional Court, but so far there has been no response.

Rutskoy Calls For Law on Country's Nuclear Sector

PM0607133593 Moscow ROSSIYSKAYA GAZETA in Russian 3 Jul 93 First Edition p 5

[Unattributed report: "Vice President's Concerns"]

[Text] Deeply concerned at the lamentable position of the Russian Federal Nuclear Center, Russian Vice President A. Rutskoy has sent its collective a telegram.

It stresses that the country's defense capability is at stake. But, instead of consistent and well-considered actions by the president and the government, we are witnessing the breakup of something that was created by generations of Russians—all fundamental and applied science is under pressure, the social sphere is being destroyed, and top-notch specialists are leaving science and production. Expressing full support for the collective and his readiness to help, the vice president states that the Russian Supreme Soviet should solve the problems of organizations involved with nuclear research and nuclear weapons on a clearly legislative basis. He asks for a group of leading scientists and lawyers to be set up to elaborate a corresponding draft law.

Popov Threatens Walk Out of Constitutional Conference

LD0707133593 Moscow Russian Television Network in Russian 1000 GMT 7 Jul 93

[From the "Vesti" newscast]

[Text] The constitutional process in Russia continues. Although the plenary session of the Constitutional Conference is in recess now, its fate preoccupies many parties and coalitions. For example, the Russian Movement for Democratic Reforms [RMDR] held a news conference today to assess the prospects for the Constitutional Conference.

[Unidentified correspondent] At today's meeting with journalists RMDR Chairman Gavriil Popov said that his impression is that somebody is not interested in an expedient end to the Constitutional Conference, or the adoption of a new constitution, or the parliamentary elections in the fall of 1993. The dragging on of the Conference exacerbates the political crisis in the country and gives an opportunity to use force to overcome it. The RMDR appeals to all organizers and participants of the Constitutional Conference to hold a final meeting of the Conference in the very near future and to adopt the already agreed parts of the constitution, and first of all the articles about the president, the federal assembly, and the government. This will enable the legislators to adopt the act on elections to the federal assembly. If the Constitutional Conference does not end by mid-July, having adopted the main provisions of the Basic Law, Gavriil Popov said, then the RMDR will be forced to leave the conference.

Civic Union Sees Perils in New Constitution

PM0607154193 Moscow ROSSIYSKAYA GAZETA in Russian 1 Jul 93 First Edition p 2

[Unattributed report under the "Statement" rubric: "Conference Deadlocked"]

[Text] The Civic Union Executive Committee has issued a statement on the Constitutional Conference which says: The plenary session held 26 June last confirmed the fears that without an accord on the main questions work on the amendments becomes a senseless exercise.

The idea is taking hold, the statement goes on, that the new constitution will miraculously help us to overcome our difficulties. In fact in present conditions it could be just another factor for confrontation.

The following steps to resolve the political crisis are proposed: That the necessary changes should be made to the existing Constitution with regard to the organization of federal authority and the demarcation of powers; a package of laws on elections, on political and social organizations, and on the mass media should be adopted; and a decision should be adopted at the next Congress of People's Deputies on early elections of the president and parliament in the spring of 1994.

'Russia's Choice' Pre-Election Moves Detailed

PM0707102393 Moscow ROSSIYSKIYE VESTI in Russian 6 Jul 93 p 1

[Lyubov Tsukanova report: "Ballot Boxes Not Yet Ordered. But Election Campaign Has Already Begun"]

[Text] The "Russia's Choice" bloc of reformist forces announced 3 July that it was starting work to set up its own regional structures. The "founding fathers" of the democratic pre-election bloc (including Yegor Gaydar, Sergey Filatov, Aleksandr N. Yakovlev, Anatoliy Chubays, Vladimir Shumeyko, and others) plan to hold conferences in Russian Federation oblasts, krays, and republics in July-August. Constituent documents will be drawn up at the same time and an all-Russian conference or congress will be held—most probably in the early fall—to resolve organizational issues and ratify the bloc's economic and political platform. This program was outlined at a Moscow press conference by Yegor Gaydar, chairman of the new political organization's executive committee. He defined the essence of the economic program as being to create the prerequisites for a growing, noninflationary market economy and to combat the "Weimar syndrome" of the stagnant market economy, "where the rich get richer and the poor get poorer."

The work to create the bloc's regional organizations has already begun. In particular, ITAR-TASS reported, democratic organizations in Tula have already united in the "Russia's Democratic Choice" pre-election bloc. A typical feature is that "Russia's Choice" has united in Tula not only activists from "Democratic Russia" and the Committee for Russian Reforms, but Social Democrats, Christian Democrats, free trade unions, and other democratically oriented organizations in just the same way as "Democratic Russia" unites in various places at local level representatives of parties that are members of other Moscow political blocs. Things are more complex in Moscow—democratic forces there will most probably not form a united bloc, but at least two or three blocs. At any rate, the Free Democrats, the Russian Movement for Democratic Reforms, and the future "Shakhray party" have not yet stated their intention to join "Russia's Choice." Konstantin Zatulin's "Entrepreneurial Initiative" is as yet preparing separately for future elections. Nonetheless, Yegor Gaydar said that the bloc is prepared to cooperate with any reform forces and is amenable to a coalition with democratic organizations.

Judging by everything, the main rival for "Russia's Choice" in the coming election campaign from the standpoint of economic programs will be the "Rutskoy bloc"—the "Civic Accord" [grazhdanskoye soglasiye] coalition. It has moved considerably to the left of late, following its alliance with the Socialist Party of Working People and Rumyantsev's Social Democrats. But, as they step up their pre-election activity, neither "left-wing" nor "right-wing" Russian democrats have any clear-cut program for the transition to a new parliament. It seems as though the only way to set early parliament elections will be to adopt a new constitution—and this is clearly something that Russia's political forces with an interest in advancing political and economic reform will have to focus on in the near future.

Shakhray's Party To Focus on Regions, Reform

MK0607100093 Moscow SEGODNYA in Russian No 31, 6 Jul 93 (signed to press 5 Jul) p 2

[Unattributed INTERFAX report: "Shakhray on Russian Unity and Accord Party"]

[Text] Russian Federation Vice Premier Sergey Shakhray has stated that the Party of Russian Unity and Accord (PRES), the creation of which he recently put forward, will base its activity on provincial and regional political forces. According to him, an all-Russian founding conference is to take place at the end of July. PRES, Shakhray noted, will not be in opposition to the ongoing economic and political transformations in the country. He has already discussed the subject with the Russian Federation president and the prime minister. At the same time, Shakhray stressed that "PRES will not be a 'puppet party'" and that neither will it affiliate with the 25 April movement.

Communist Party Seminar 'First Steps' Toward Program

PM0607124993 Moscow SOVETSKAYA ROSSIYA in Russian 3 Jul 93 p 3

[A. Frolov report: "A Step Toward Program"]

[Text] Russia's Communists do not currently have a scientifically substantiated party program relying on the modern realities of national and global development.

I think that one of the first steps toward it was taken at the scientific seminar on "Crisis and Trends in the Development of Modern Civilization," which was organized by the Russian Federation Communist Party Central Executive Committee and whose first session took place 1 July. Academician V. Koptyug, member of the Russian Federation Communist Party Central Executive Committee Presidium and president of the Russian Academy of Sciences Siberian Department, delivered the keynote report on the problems of "Stable Development."

The seminar analyzed in detail the diverse ecological, technological, economic, and political factors which the Russian Federation Communist Party must bear in mind when formulating a concept for the country's and society's steady and safe advance along the socialist path of development. Parliamentary hearings on the problems of implementing the recommendations of the UN Conference in Rio de Janeiro will be held 6 July on the initiative of Communist deputies and members of other opposition factions.

Ethnic Koreans To Be Compensated for Relocation

SK0707062793 Seoul YONHAP in English 0500 GMT 7 Jul 93

[Text] Moscow, July 6 [as received] (YONHAP)—The Russian Government has decided to pay compensation to ethnic Koreans forcibly relocated from the Russian Far East to the Central Asia by Soviet Leader Josef Stalin in 1937, a government official said Tuesday.

Boris Choe, a ranking official in the Presidential Committee for Minority Problems, said the Moscow government, which has just restored political honor to the relocated ethnic Koreans last April, will compensate them for their mental suffering and material losses.

In an interview with YONHAP news agency, Choe said, however, the final decision may be delayed because of differences of views between President Boris Yeltsin's administration and the Russian Parliament on details of the decision including the amount of compensation and the eligibility of recipients.

An estimated 180,000 ethnic Koreans were forcibly resettled from the Russian maritime province to Central Asia by Stalin because the Soviet dictator suspected that they were working for Japan as spies when many of them in fact were the victims of the Japanese colonialists and fled to Russia following the annexation of Korea by the Japanese.

On July 1, the Russian Parliament adopted a revised law on the restoration of political honor to the oppressed minority peoples, which calls for a phased payment of compensations to minority Russian citizens including ethnic Koreans who had been mistreated by the communist government because of their racial background.

The revised law also calls for granting of special privileges that include free fares for public transportation, 50 percent discounts in train journey once a year and housing management fees and telephone bills, preferential rights to apartments and plots of arable land, no interest loans for housing for farmers and other welfare benefits.

Polls Conducted on Elections, Yeltsin's Policy

LD0407205493 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 4 Jul 93

[From the "Itogi" news program]

[Summary] Itogi presenter Yevgeniy Kiselev reports, citing a poll carried out by the Public Opinion foundation, that the Russian population remains politically active. When asked if they are going to take part in elections to a new parliament, probably to be held this fall, 51 percent of those polled said yes, 27 percent said no, and 22 percent were unsure.

The same source says that President Yeltsin's decision after his victory in the April referendum, to focus on a new constitution of the Russian Federation, is supported by 51 percent of those polled, 24 percent gave a negative answer, and 25 percent did not have a definite opinion.

Investigation Group To Examine Corruption Cases

LD0207161693 Moscow ITAR-TASS in English 1230 GMT 2 Jul 93

[Text] Moscow July 2 TASS—"Any conclusions can be made only after a comprehensive, full and impartial investigation is completed," according to the investigation group of the Russian prosecutor's office that began examining cases of corruption among top officials. The investigation began after Vice President Aleksandr Rutskoy accused high-ranking officials of embezzlement.

"After the special commission made a preliminary report in parliament on June 24, there appeared publications in some mass media containing categorical evaluations from the point of view of law of actions by some or other officials. This is done disregarding the fact that the investigation into some criminal cases has only been launched," a statement by the investigation group, which was released by the information and public relations centre of the Russian general prosecutor's office today, points out.

"A vast amount of work is to be accomplished: specialists are to carry out examinations, interrogations, obtain conclusions by experts and investigate numerous materials," the investigation group emphasises. "In our work to establish the truth we are guided only by law and are not bound by any evaluations no matter in what tone and by whom they are made."

Procurator Statement on Rutskoy's Corruption Charges

MK0307093293 Moscow KURANTY in Russian 3 Jul 93 p 2

[Unattributed report: "Prosecutor's Office Counsels Against Making Haste"]

[Text] The Information and Public Relations Center of the Russian General Prosecutor's Office has issued the following statement made by the group of inquiry that has taken up legal proceedings instituted by a special commission formed by the Russian Federation Supreme Soviet.

"In connection with the preliminary report made in parliament on 24 June by a special commission formed by the Russian Federation Supreme Soviet to verify the facts set forth by Vice President A. Rutskoy, some of the mass media have come up with publications that give unqualified criminal-law related assessments of actions by one official or another. This comes as an inquiry into a number of criminal cases has just been launched.

"The group of inquiry of the Russian Federation General Prosecutor's Office that has taken up legal proceedings instituted by the special commission declares that any conclusion of a legal- procedure nature will be drawn solely upon the completion of a thorough, complete, and unbiased inquest. A prodigious amount of work is to be performed: to hold examinations, questionings, lineups, to receive findings from specialists, to study numerous documents, and so forth. In our work to establish the truth we are guided by the law alone, and we are not constrained by any assessments in whatever form they are being aired, or whoever they come from."

Anti-Corruption Campaign Seen As Politically Motivated

LD0507111693 Moscow Radio Rossii Network in Russian 1000 GMT 5 Jul 93

[Text] According to an opinion poll 60 percent of Muscovites think that the campaign accusing the government of corruption has been launched by the Russian Parliament for political ends and also to conceal corruption in its own ranks.

Economic Issues

Yeltsin Signs 'Tax Police' Federal Bodies Act

LD0607180493 Moscow ITAR-TASS in English 1721 GMT 6 Jul 93

[By ITAR-TASS correspondent Sergey Oleynik]

[Text] Moscow July 6 TASS—Russian President Boris Yeltsin signed on Tuesday [6 July] "Tax Police Federal Bodies Act". The Tax Police Department will deal with cases of tax evasion in Russia.

Since March 1992 until now this function was performed by the Chief Tax Investigation Directorate working under State Tax Service of Russia. Thanks to the highly professional work by officials of the directorate about 25 billion rubles and 20 million U.S. dollars were returned to the state exchequer during the past 14 months.

Finance Minister Interviewed on Economy, G-7

MK0707090093 Moscow NEZAVISIMAYA GAZETA in Russian 7 Jul 93 pp 1, 2

[Interview with Boris Fedorov, vice premier and finance minister, by Andrey Poleshchuk, under "Finances" rubric: "Boris Fedorov: 'We Will Not Be Asking for Any Aid at the Tokyo Meeting.' The Russian Vice Premier Still Believes That the Current Rate of the Ruble Can Be Maintained Until the End of the Year;" place and date not given]

[Text] [Poleshchuk] Recently a Russian Finance Ministry report on the country's present financial condition was published in the press. It also offers a forecast for the third quarter. It says that in the next three months the country's financial situation could improve, the inflation index would drop below 15 percent per month, the ruble's attractiveness would grow, and the rate of the ruble to the dollar would remain at a level of approximately 1,100 per dollar. What is the basis of this upbeat projection?

[Fedorov] It is based on facts. One simply needs to look at the facts. We do not indulge in crystal ball gazing, as some of the publications I respect do. In the last two weeks they have been writing about the ruble's spell of strengthening coming to an end and that it is just about to start falling again. It does not fall, but nonetheless they keep on predicting that by the end of the next week it will surely fall....

This is what I call crystal ball gazing. By contrast, we base ourselves on very simple things. We know the situation on the market, which is being pressured by the $14 billion kept in Russian banks. We know that monetary policy has been tightened in the last four months. The Central Bank interest rate has reached 140. We are more or less staying within the budget, although it costs us a lot blood and sweat. This means that rubles will be in greater demand. In recent weeks we have been selling certain sums of dollars. Now it is impossible to sell them on the market without causing the rate to fall. But our task is not to reduce the rate, say, to 600 rubles per $1, but to maintain it at the level of 1,100 per dollar for a sufficiently long period.

[Poleshchuk] How long?

[Fedorov] This rate was formed in early June and it will keep until September. There are certain chances that it could even be maintained until the end of the year. But it is too risky to state this categorically since it is unclear what the political situation here will be. Therefore we are making a forecast only for the third quarter for fear of making a mistake.

[Poleshchuk] What is the rate of inflation now?

[Fedorov] There are no final data available as yet. Over the three weeks in June it was approximately 12 percent. A monthly rate is probably 15 to 19 percent. It is high time to stop the hysteria to the effect that everything is falling apart and disintegrating! Hyperinflation.... What hyperinflation? To me, hyperinflation is anything over 20 percent a year. From the very beginning of the year it has been at a rate of 27.25 percent a month. Therefore we have long been living in it.

[Poleshchuk] If inflation is contained, how will this manifest itself on the level of everyday life?

[Fedorov] The lower the rate of inflation, the less frequently will prices change. Of course, 15 percent a month is not an accomplishment. If we fulfill our maximum task and reach a level of 5 percent a month in December—which is extremely difficult because we are not being allowed to be really tough—then that would be 80 percent a year. This means that interest rates at 140 percent will no longer be needed, and they will start to fall. It would be easier to borrow and to make investments. A situation needs to be created in which the rate of inflation could reach a level when it would be possible to put things in order—not socialist or capitalist—but plain order. To live according to one's means, to make the national currency a hard currency, and to make sure that we do not destroy our own financial system. Very modest tasks, in my view.

[Poleshchuk] But how could the ruble finally be made a convertible currency?

[Fedorov] This is quite a feasible task. The most important measure here is raising interest rates.

Today if you deposit rubles in a bank at a rate of 100 percent, you lose. Therefore there are some purely economic reasons that force people to convert rubles into dollars, into real estate, commodities, and so forth. Reducing negative rates to the level of positive rates is our most important economic task. On the other hand, there must be some purely administrative measures that were simply not enforced last year. For example, it took a year to set up a currency inspectorate. The Central Bank of Russia was given the right to exercise currency oversight under a law that was adopted last fall. It is now July and they have barely completed reregistration of enterprises conducting hard currency operations. This, instead of clamping down on them real hard. There is a powerful lobby working intensely to prevent this from happening. I am in favor of this, and we are preparing a decree to tighten measures in this area. Because it is outrageous, it is humiliating to the people; it is discrimination, internal apartheid.

[Poleshchuk] IZVESTIYA has published a list of 22 Russian banks that have been "blacklisted" by the Central Bank because for a long time their expenditures have been exceeding their revenues....

[Fedorov] It is high time. If there are 1,700 banks in this country and none of them has gone bankrupt, this is suspicious: In the United States 80 to 100 banks go out of business every year. As far as I know, here in this country maybe a few banks have closed—moreover, for purely criminal reasons. Therefore this measure could only be welcomed. Gradually we shall be moving toward a situation where leaders would be emerging among the banks. In the end some 50 and then perhaps 10 major banks will remain.

[Poleshchuk] Could you give your own rating of the domestic banks?

[Fedorov] This is very difficult, but.... Let us say, Most-Bank, Tokobank, Menatep, Stolichnyy, and Inkombank. They are sufficiently large, respectable. In fact, it is better to conduct some operations via commercial banks than via the Central Bank.

[Poleshchuk] Some people are getting the impression that the government today has no single, coherent economic and financial strategy.

[Fedorov] This is just idle speculation by those who are not interested in economic policy. In a nutshell: On 22 May a joint statement was issued by the Central Bank and the Finance Ministry. It clearly defined priorities for the near term. Some people are saying that there is no strategy, no program. Do you want another 200-page program? We have had enough; many have been written! The government's policy is everyday action. Meanwhile in parliament such statements are being made.... It is time to abolish the principle whereby each housewife should be able to run the state. [reference to statement by Lenin] Professionals must be trusted. After all, I am not advising a physicist on what to do in physics, nor am I advising agricultural workers how to increase egg-laying capacity or how to produce coniferous flour.

[Poleshchuk] Are you very sensitive to attacks by dilettantes?

[Fedorov] I was in 1990, but now I am perfectly calm.

[Poleshchuk] How would you comment on the following statement: The Russian Government is persistently seeking favor from the G-7, hoping to get the promised financial aid—moreover often sacrificing its political independence, as for example, in the case of the latest missile strike on Iraq?

[Fedorov] I am always saying this: No Western aid will ever be able to become a key factor of our development. Ninety-five percent of what is being done in the sphere of economic reform depends solely on ourselves. It is another matter that sometimes it is useful to listen to the opinion of Western countries. After all, they know a little more about the market economy than we do. But as far as I am concerned, it was more important to obtain a joint statement with the Central Bank than a monetary credit. No one here is going to live according to IMF recipes. Sometimes, in coordinating our actions we were even more radical than the IMF. And we disagreed with it. Now, making preparations for the G-7 meeting, we are holding a firm line—we are not asking for any aid. We do not need anything for free. Credits—yes. We shall accept what we really need; and what we do not need, we shall not accept. For instance, commodity credits—what use are they? There should be a dialogue of equals, and now we are talking about "a group of eight." Incidentally, we are still helping developing countries more than the West is. In 1992 Russia rendered $17 billion worth of assistance to the Third World. By way of comparison: the United States, 9.91; Japan, 11.3; Germany, 7.6; and France, 6.83.

As for the strike against Baghdad, I personally am also against one state attacking another on a mere suspicion of some sort of attempt being made. Following this logic, we could launch a missile strike on the Estonian parliament for adopting its latest law on aliens.

[Poleshchuk] Is it true that there are two groups within the government, one of which is apparently seeking to restore the ruptured ties between the former USSR republics to the maximum volume, while the other believes that whatever ties have remained must be eliminated as soon as possible so that Russia could jettison an extra burden?

[Fedorov] I do not think that this division really exists. There are only two approaches. One is a common approach: It is necessary to maintain friendly relations, and an economic union is needed. The other is purely pragmatic: A union, yes, but on what terms? Our position is this: Economic relations must be built on a normal interstate basis. If the idea of a union is brought forward for consideration, it should be well substantiated. The sole thing that we insist on is to stop credits, which used to be unlimited, to CIS countries; to stop the ill-advised allocation of resources at cut-rate prices, and so forth.

[Poleshchuk] It is known that the G-7 countries, having promised us financial assistance, are not keeping their word. At the same time the IMF and the World Bank are ready to extend credits to us at LIBOR [London Inter-Bank Overnight Rate] rates—the highest rates that are formed on the London interbank market. Apart from these, there are the lowest LIBID [London Inter-Bank Inter-Day] rates, and an average between the first and the second. What is stopping the government from seeking credits at medium and low rates?

[Fedorov] I do not know how things were last year, but this year all obligations are being met. As for LIBOR, LIBID, and other rates, the question here is usually raised in the following terms: Are we asking for humanitarian aid?

We are talking about normal credit extension terms. We are not going to join the group of developing countries which will be getting highly preferential credits. We are not an African country, after all.... One needs to have self-respect.

[Poleshchuk] Theoretically, the task of stabilizing the ruble consists of two components: the monetary-credit policy, which is the responsibility of the Central Bank; and financial policy, which depends on the actions of the Finance Ministry and the government. Which of these two directions is being given priority? What are the possible implications of the approach chosen?

[Fedorov] This dichotomy is possible only in theory. In practice it is always a single process. It is impossible to define the share of financial or monetary-credit policy, because they are equally important. Therefore it is clear that by merely containing a budget deficit we shall never achieve financial stabilization. Although from my point of view, the Central Bank is in a better position, having an independent status. In fact, it can make decisions at its own discretion. There is no need to consult anyone. This is why we are constantly bringing pressure to bear on it. I think that under a normal leadership the bank could become a leading economic body which would conduct the reform, but....

[Poleshchuk] Three months ago, addressing leaders of Russia's major banks, you admitted to using "methods of moral terror" in your fight with Gerashchenko. Are you going to continue using them in the second half of the year? Are you not afraid that similar methods could be used against you?

[Fedorov] First of all, if one feels he is right, there is nothing to fear. Second, I used the phrase "moral pressure." This is one of the well known methods of monetary-credit policy which we have used with respect to the Central Bank. If it has any case against us—well then, it should go ahead and do it! So far, however, except for individual growling from some Central Bank board members—not all—we have not seen anything else. Therefore we feel that we are right.

[Poleshchuk] You know the history of the sterling zone, which in fact eventually collapsed. Do you see any points in common between it and the present history of the ruble zone? What, in your opinion, needs to be done to smooth out the most negative trends?

[Fedorov] I have repeatedly stated my viewpoint that there is no ruble zone whatsoever. In fact there is a rather strange practice of using the Russian cash currency by certain states on a quite illegitimate basis. The sterling zone was a fairly concrete mechanism with special account regimes. The states, on a legitimate basis, with the consent of the parent country, were involved into that zone, where they did not engage in their own emission, and so forth. Today there is no ruble zone and whether it will be created I do not know. And I am not sure that it is necessary in the first place. Not a single currency zone in the world is known to have survived, with the exception of the French franc in tropical Africa. This is very expensive for France. At the end of the day the ruble could become a currency in trade between the CIS countries. And the introduction of national currencies—paradoxical as it might sound—could contribute to this.

Inflation Decreases by 2 Percent in Jun

LD0707081193 Moscow Radio Moscow World Service in English 0700 GMT 7 Jul 93

[Text] Inflation in Russia in June was lower than in May. According to the economic study center under the government, it amounted to 17.4 percent, that is 2 percent less than in May. Experts point out that the recent liberalization of prices on petrol practically had no effect on inflation processes.

Finance Minister Boris Fedorov recently expressed cautious optimism in view of the appearance of some signs of stabilization of the economic and financial situation in the country. At the same time he stressed the need for tough measures to curb inflation and strengthen the rate of the ruble.

Electricity Prices To Increase 17 Times

LD0607155793 Moscow ITAR-TASS in English 1425 GMT 6 Jul 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow July 6 TASS—Prices for electricity are soon to jump some 17 times in Russia, but Fuel and Energy Minister Yuriy Shafranik does not fear it will be a shock for the population.

"If we proceed from the level of present-day wages and prices for electricity, it (price hikes) will mean a return to the correlation which existed in 1990", he told a meeting of a government commission on Tuesday [6 July].

The commission decided to recommend to the president to increase the prices up to 6 roubles per one kilowatt/hour for the urban population and to four roubles in the countryside. The price will be indexed every quarter of the year.

The current prices are 36 and 24 kopecks correspondingly. There are 100 kopecks in a rouble.

Grain Harvest Prospects Detailed

PM0707100793 Moscow ROSSIYSKIYE VESTI in Russian 6 Jul 93 p 1

[Unattributed report: "Expected Harvest—106-110 Million Tonnes of Grain. Russian Federal Service for Hydrometeorology and Environmental Monitoring Forecast"]

[Text] Despite the reduction in areas sown to grain and pulses in the Russian Federation, this year's harvest, according to specialists from the Russian Federation Gidromettsentr [Russian Federal Service for Hydrometeorology and Environmental Monitoring] should be better than in the past four years.

Sown areas comprised 61 million hectares in 1993, 61.9 million hectares in 1992, and, on average, 62.3 million hectares in the period 1990-1992. Thus, the area sown this year is almost 1 million hectares less than last year, and more than 2 million hectares less than in recent years.

The gross harvest of grain and pulses—spring wheat, winter rye, winter and spring barley, corn, buckwheat, oats, peas, rice, and other crops—will total 106-110 million tonnes after processing [posle dorabotki] (in other words, granary weight).

Harvest conditions this year have mainly been favorable. A considerably smaller area of land suffered from drought conditions this year compared with last year.

Harvest Distribution by Economic Region

The expected gross harvest of grain and pulses in granary weight is 23 million tonnes for the Lower Don and the North Caucasus, 19 million tonnes for the Middle and Lower Volga, 16 million tonnes for the Urals, and 12 million tonnes for Russia's Chernozem oblasts.

Harvest Structure By Crop

The largest contribution to the harvest, as in previous years, will be made by winter wheat and rye—around 40 million tonnes. The gross harvest of spring wheat will be around 17 million tonnes, with the figures being 23 million tonnes for spring barley, 2.2 million tonnes for corn, and around 1 million tonnes for buckwheat.

As in previous years, the Lower Don, the North Caucasus, the Volga Region, and the Chernozem Zone will provide the bulk of the winter wheat harvest, while the Volga Region and the Urals will provide the bulk of the winter rye.

The Urals and West Siberia will continue to be the main suppliers of spring wheat, and the Volga, Central, and Central-Chernozem Regions will continue to be the main suppliers of spring barley.

Our Information

The Agrometeorological Forecasting Department was set up as part of the USSR Gidromettsentr and has been forecasting the harvest on the instructions of the USSR Government since 1964. As was the case in the USSR, the Russian Federation Gidromettsentr draws up its forecast by oblast, kray, republic, and economic region, and for the country as a whole.

In compiling these forecasts scientific mathematical methods whose high level of effectiveness has been recognized worldwide have been developed. They are based on figures on agrometeorological conditions governing the harvest, the state of agricultural crops, and readings on productive moisture reserves taken every 10 cm in the 1-meter soil layer. Information for the forecasts is forwarded from agrometeorological observation centers on agricultural land.

Over the past five years the harvest forecast has proved to be 92-percent accurate.

Space & Military Issues

Defense Ministry Launches Cosmos-2258 From Baykonur

LD0707100793 Moscow ITAR-TASS World Service in Russian 0900 GMT 7 Jul 93

[By freelance correspondent Semen Ivanov for ITAR-TASS]

[Text] Moscow, 7 Jul—Today at 1115 Moscow time [0715 GMT] the Russian space military forces launched from Baykonur cosmodrome the booster rocket "Tsiklon M" with the spacecraft "Cosmos-2258". The ITAR-TASS correspondent was told at the press center of the space military forces that the spacecraft was set on an orbit close to the estimated one. The launch was carried out for the Russian Federation Defense Ministry.

'Excellent Prospects' in Mercantile Fleet Edict

PM0607133193 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 3 Jul 93

[By Sergey Omelchenko and Valeriy Rekut; from the "Novosti" newscast]

[Excerpts] The fleet is on the rocks, maritime and river fleet specialists stated on the eve of their professional holiday which is celebrated on the first Sunday in July. Yes, the fleet, which was a lucrative component of the lossmaking economy during the times of stagnation, annually used to provide up to $3.5 billion in hard-currency profits. Nowadays, since the carve-up of the union property, we are having to pay almost the same amount to our neighbors for transporting Russian freight.

Russia, a mighty maritime power, has been left with little over one-half of its cargo vessels, having lost virtually all its refrigerator ships, dry-cargo vessels, and most of its tanker fleet.

Add to this the critical age of the 800 remaining ships and of the material and technical facilities of the 40 seaports, and you will understand why Russian shipping lines cannot even dream of pulling themselves up. [passage omitted]

But now a presidential edict opens up excellent prospects. By the year 2000, 589 ships are to be replaced and the cargo-handling capacity of ports is to be almost doubled. Meanwhile, the deadline set by the president for the government to ratify the fleet development program has already lapsed three times and, as is glaringly obvious, the fleet is on the rocks.

Pacific Fleet Petitions Government Over Cash Shortage

PM0607125793 Moscow KRASNAYA ZVEZDA in Russian 3 Jul 93 p 1

[Andrey Gavrilenko report: "Lack of Money in Pacific Fleet"]

[Text] Vladivostok—The Pacific Fleet only has 2 percent of the financial resources that it needs, which is causing disruption in fuel and food procurement and holding up payment of servicemen's pay.

According to Colonel Nikolay Sheremetyev, head of the Pacific Fleet's financial service, this situation has developed due to a lack of cash in banks in Maritime Kray. The command of the Pacific Fleet has asked the Russian Government for help in overcoming the latest shortage, which may destabilize the situation in units and on ships.

Supreme Soviet

Parliament Chambers Meet Separately 6 Jul

LD0607151993 Moscow Ostankino Television First Channel Network in Russian 1100 GMT 6 Jul 93

[Report by correspondent M. Polikarpova; from the "Novosti" newscast]

[Text] The chambers of the Russian parliament are working separately today. The Soviet of Nationalities has adopted the first reading of the draft law on juvenile offenses. Last year alone over 97,000 teenagers commited socially dangerous acts prior to reaching the age at which criminal liability is stipulated. Two-thirds of this number are children under 13 years old.

The adopted document envisages the establishment of special educational establishments for children that have reached the age of 11 and whose behavior is dangerous. They will be sent there only on the basis of a court decision.

Charity is becoming a more widespread activity in the country, and a law is needed to prevent abuse by commercial structures that conceal their incomes and receive tax relief under the guise of charity. A law on charity was adopted today at the first reading by the Soviet of the Republic.

The draft law on social guarantees for deputies was not approved. The deputies believe that its adoption will give a political trump card to the executive power in its struggle against the representative power. The following social guarantees were proposed: in particular, upon ceasing permanent work in the Supreme Soviet due to the completion of the term of office, people's deputies will be paid a retirement allowance amounting to six months pay, and the retirement age for men will be 58 and women 53. The pension should amount to no less than 75 percent of the wages.

The deputies also did not approve a draft on the main identity documents for Russian citizens. Parliamentary hearings will be held today on defining the republican budget of the Russian Federation for 1993.

Closed Hearings Held on Defense Budget

MK0707085093 Moscow KOMMERSANT-DAILY in Russian 7 Jul 93 p 4

[Andrey Smirnov report: "Hearings in the Supreme Soviet Defense Committee. Military Experts Propose Downsizing Defense Complex"]

[Text] Closed-door hearings with the theme "The State and Problems of the Armed Forces of Russia" and organized by the parliamentary committee on defense and security affairs were held at the House of Soviets of Russia yesterday. Deputies joined by Defense Ministry representatives looked into questions related to budget appropriations for the needs of the Army. The military spokesmen pointed out its difficult financial position and stated that considerable harm would be done to the country's defense unless urgent measures are taken to improve the situation.

Speaking at the press conference held upon completion of the hearings, Vasiliy Vorobyev, chief of the Defense Ministry finance directorate, put the total military budget deficit at more than one trillion rubles. The worst situation, according to Defense Ministry specialists, relates to purchases of modern armaments. In the meantime, the Russian Army needs them especially badly now with a considerable part of its advanced arms having ended up in the former USSR republics.

Participants in the parliamentary hearings identified as the main reason for the shortages of funds for the army the Finance Ministry's unwillingness to increase military appropriations to match the level of inflation when it updates the federal budget figures. For example, appropriations for the Defense Ministry under the updated budget figures total 16.1 percent this year, whereas 16.6 percent of the budget expenditure was meant for the army at the start of the year. In this connection, according to Deputy Defense Minister Vyacheslav Mironov, who is in charge of buying new arms, the ministry could not pay for military supplies in May and June and ran up a debt of nearly 500 billion rubles with the manufacturers.

As Aleksandr Piskunov, deputy chairman of the Supreme Soviet Defense and Security Committee, noted, the failure by the state to provide funds makes military-industrial complex enterprises turn for loans to commercial banks, which in the final analysis results in "pumping state funds over to commercial structures." In the words of Mr. Piskunov, Russia cannot afford to support 1,200 defense enterprises. According to military experts' computations, the number of such enterprises should not exceed 200 or 300.

Participants in the parliamentary hearings arrived at the conclusion that the government should be asked to maintain the military budget on the level set at the start of this year. It was revealed at the press conference that Defense Ministry chiefs had already managed to reach mutual understanding on this score with Council of Ministers Chairman Viktor Chernomyrdin.

Discussions on 'Revised Budget' Continue

LD0607193593 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 6 Jul 93

[From the "Novosti" newscast]

[Text] The recent statement by [Supreme Soviet Chairman] Ruslan Khasbulatov that parliamentarians will not go on vacation until they endorse the annual budget has clearly invigorated the members of the Russian Supreme Soviet. Today the revised budget was discussed in committees and commissions. Here are a few conclusions.

The Defense Ministry, for example, needs at least a further one trillion rubles to cover its expenditure. This was stated to journalists at a news conference on the results of closed hearings at the Committee for Defense and Security. Representatives of the Defense Ministry and the Finance Ministry took part. Aleksandr Piskunov, the committee's deputy chairman, voiced the hope that mutual understanding will be found with the government on this issue. But for the moment the Defense Ministry is insolvent. It cannot even buy ready, new military equipment and armaments.

Deputy Defense Minister Nikolay Chekhov reported that the government currently owes the Defense Ministry 154 billion rubles earmarked for building apartments for servicemen. [video shows Deputy Prime Minister Oleg Lobov addressing budget hearing]

[Begin Lobov recording] By the end of the year, prices will rise due to the freeing of prices for energy resources, for coal and primarily for oil, approximately tenfold, I think, from the beginning of the year. [end recording]

[Correspondent] This forecast was made by the deputy head of the Russian Government at parliamentary hearings on the budget, also held today. Believing that behind this figure the revenues and expenditures have already been done, it would seem that the members of the Supreme Soviet were trying do a botched job on our economy. It turned out that things do not add up. In particular, note was made of the absence in the budget of updated indices for the country's socioeconomic development, the level of the slump in production, and the rate of inflation.

Journalists got hold of a draft Supreme Soviet resolution containing a paragraph indicating that even the revised draft budget might once again be returned to the government. And then we will all have to live on credit, as before. But it seems the country has already gotten used to that.

Parliament To Debate Control of Central Bank

LD0607191893 Moscow ITAR-TASS in English 1913 GMT 6 Jul 93

[By BUSINESS-TASS correspondent Vadim Yegorov]

[Text] Moscow July 6 TASS—If there are no essential objections and amendments, the present session of the Russian Parliament will consider this week and adopt a bill which will determine principles of forming a four-level banking system in Russia, Aleksandr Pochinok, chairman of the Commission of the Supreme Soviet on Planning, Taxation and Budget, told BUSINESS-TASS.

Speaking on draft laws, Aleksandr Pochinok noted that they envisaged first of all the increasing role of the Central Bank of Russia. It is stressed in the final draft that the "Central Bank of Russia is subordinated to the Supreme Soviet of the Russian Federation and independent of bodies of state representative and executive power, and bodies of local self-government, when solving issues which fall within the jurisdiction of the Bank of Russia." This clause only partly reflects an amendment of the Russian president who proposed to weaken to a greater extent the dependence of the Central Bank of Russia on the Parliament making it incumbent upon it "only to submit annual accounts of its activities to the Supreme Soviet of the Russian Federation."

According to Aleksandr Pochinok, the bill on banks envisages a number of fundamental changes, specifically the notion of a bank itself has been changed. Apart from this, Aleksandr Pochinok noted proposals about setting up banks of development at a local level, forming bank associations, widening spheres of bank activities, establishing more strict standards for forming an authorised capital, making more specific a procedure of registration and granting licenses.

The chairman of the commission said that so far no support has been given to proposals about limiting salaries of bank workers and making more rigid a taxation regime for banks.

However, Yuriy Agapov, president of one of the leading Russian banks of a "new wave"—"Kredo Bank"—called the bill unsatisfactory. He stressed specifically that the bill "has no such fundamental element as a clear definition of a bank of various kinds" which would exclude a uniform regulation of the activities of banks of different types. "It is impossible to put on the same footing a pawnshop and a big bank," Yuriy Agapov said.

Proposing their own ways of resolving numerous problems of the Russian banking system at a transition period, participants in the meeting noted the importance of adopting laws on banking activities as soon as possible.

Parliament Plans To Curb Electronic Mass Media

MK0607125093 Moscow SEGODNYA in Russian No 31, 6 Jul 93 (signed to press 5 Jul) p 2

[Dmitriy Volkov report under the "Censorship" rubric: "Parliament Ready To Curtail Journalists' Rights, and Found Oversight Council on Television"]

[Text] Late last week the federal parliament approved the guidelines of a draft law on changes in the mass media law and of a statute on a federal council for freedom of speech on state-run television and radio. The innovations in state control over the electronic press are bound to enhance appreciably the possibilities for political pressure on programming content.

The reformed Supreme Soviet mass media committee, which proposed the draft law and the statute of the federal council—also known as the oversight council—does not hide it in the official clarification that it is pressing for "expanding the list of cases where the use of the mass media is banned, and for widening the rights of the founding organization" which, under the new draft law, are of course soviets of people's deputies.

In addition to fanning interethnic enmity and class strife, as well as war propaganda, the draft law prohibits journalists from calling "for the unlawful dissolution of constitutional organs of power or suspension of their activities," as well as from generally "hindering" their activities "in another form." The draft law also provides for the withdrawal of the right, promulgated by the current press law, of citizens to collect, receive, and disseminate information. This right "is not subject to abridgement with the exception of cases envisioned" not only by laws on the mass media, but also by any "legislative acts of the Russian Federation."

The draft law introduces the idea of a "state holder of a license" to national television and radio broadcasting. In order to obtain the license, a state television and radio company is supposed to rope in parliament in the capacity of founder or cofounder. In order to effect oversight over radio and television companies' programming policy, it is suggested that a federal council for ensuring freedom of speech be established and monitored by parliamentary factions.

This council gets the right to vet heads of the electronic press and also give them "recommendations" as to programming policy. Its job is to "ensure at state television an objective coverage of social and political problems," and to guard against "degradation of ethics, morals, and national culture." One can be sure that leaders of parliament would bend its efforts to execute promptly the parliament's television oversight plan. At any rate, the Supreme Soviet decree approving the federal council's statute contains specific instructions to Russian government agencies to make available at least 1,500 square meters of space and 140 million rubles.

Mikhail Mityukov, former chairman of the Supreme Soviet legislation committee, warned the deputies that the creation of the federal council and the proposed changes in the press law "pave the way to political censorship." Nikolay Pavlov, leader of the Russia opposition faction, was more precise: "Censorship on television does exist. The idea is that it should be exercised not only by the government but also by the parliament opposition."

The president's opponents have apparently come to believe strongly that the reason for Boris Yeltsin's political successes lies in control over national television. Since the decisive battle for the presidential draft constitution may end in the sudden demise of the deputy corps, the latter is eager to get its share of air time "without putting up a battle" and to render presidential propaganda harmless. Whereas the president does not have to issue doubtful acts to pursue his policy in "programming" the state television, however, rulings by parliament in this field can hardly be called immaculate. The creation of the federal council—an executive body in fact—directly violates the principle of separation of powers, in Mikhail Mityukov's assessment. Undoubtedly, as soon as parliament makes the final decision to create institutes of political censorship, the presidential side would immediately appeal against them to the Constitutional Court.

Khasbulatov: Committee Heads 'Blocking' Parliament

PM0607114193 Moscow PRAVDA in Russian 3 Jul 93 pp 1,2

[Ruslan Khasbulatov article: "Tsarist Rule and Regal Pretensions in the President's Draft"]

[Excerpt] [passage omitted] One of our present day paradoxical problems is the absence of people in the upper echelons of the political establishment who think in a state-minded way, who have a good knowledge of the country, its history, and peoples, and who have the ability to understand its grief: people who understand their responsibility toward the country. Furthermore, this applies not only to the executive branch (where there are not actually any "statesmen") but the legislature too. I have to admit self-critically that recently in particular I have been simply ashamed of some of our deputies and even members of the Supreme Soviet Presidium.

You will recall that in 1990-1991 some of our deputies "ran" to the Kremlin or Staraya Ploshchad to get their instructions in the fight with the Supreme Soviet leadership. What is happening today? The complete reincarnation of those who, it seemed, called for democratic transformations and supported the principles of parliamentarism and an authoritative Supreme Soviet. It is hard to imagine more fanatical supporters of the antidemocratic tendency and rigid totalitarianism than these.

You would think that the chairmen of such committees as those on legislation (which is exclusively occupied with blocking the work of the Supreme Soviet), defense and state security, international affairs, and law and order and legality ought to be respected people, recognized in society, and possess authority as people and politicians. But where do they get this prestige and recognition from if they have done their utmost to turn their committees into "subsidiaries" of government departments in the Supreme Soviet and have completely forgotten their monitoring functions? So whenever a question connected with an important element of domestic, foreign, or defense policy is discussed we see the chairmen of these committees not in the role of wise statesmen with serious ideas but acting as advocates for their respective departments. Sometimes with a personal interest in the adoption of a law and other decisions, sometimes even worse: They surround themselves with "business ties," become "necessary people" and so forth.

What is one to make of the following fact? I find out by chance that the chairman of the Budget Commission secretly, without permission or instruction, paid a brief visit to Germany on health grounds. I ask myself: Why? The commission dealing with the budget monitors the state's revenue and expenditure—yet you get this inexplicable visit. Is this not a matter for special investigation?

That is why any functionary from the president's administration, the government, or ministries can "invite" such a "politician" to visit him, set any task or assignment, and hold a "closed meeting" with the aim of destroying parliament. That is why these people are trying to destroy the Supreme Soviet from within—this is the direct order of the executive, which feels oppressed by even minimal parliamentary control. Hence the free "interpretations" of the referendum, the constitutional conferences, and the fresh attempts to divert society from socioeconomic problems by raising the ideas of electing deputies and so forth.

Now again, as in 1990-1991, I have occasion to say at sessions of the Russian parliament: "Esteemed colleagues (including in the leadership of the Supreme Soviet and the Supreme Soviet Presidium)! Do not run to the Kremlin and Staraya Ploshchad for your instructions. In the first place they will not tell you anything sensible over there. In the second, dishonor ill becomes a man and your voters will not forgive you for it, you will forfeit people's trust. In the third place, all the 'bother,' 'plots,' and squabbles are nothing but the activities of weak people doomed to failure. You have already provided yourselves with apartments, dachas, a tidy sum of money, official positions—May God be your judge. Only do not meddle..."

Yet among the deputies, including those at local level, there are some intelligent and able people who have not only extensive knowledge and experience but honor, conscience, and a love for their people and fatherland. But they, unfortunately, were and remain superfluous. The pressure of the radical wreckers was (and remains) too strong: These people are really forcing into the key structures of power and administration a load of untalented Sharikovs and Shvonders [characters in Bulgakov's "Heart of a Dog"], whose cynicism, lack of principle, and impudence are simply boundless.

Analyzing the so-called "party cadre policy" back in the seventies, I was amazed at the fact that as a result of a rigid selection procedure it was mostly mediocre people who entered the leading stratum of the state apparatus. But what is happening nowadays? This amazing spectacle simply takes your breath away when you see completely outrageous opportunists building themselves incredible careers overnight while others (with the former's help) become billionaires. Both the former and the latter, from TV screens or newspaper pages, instruct everyone else how to live their lives. The only criterion for such a career is personal devotion to the boss. Then you get whatever you want: a title, a dacha, a car, and you can privatize anything you like. It makes your head spin. Now the authority of the Supreme Soviet and its chairman threatens to deprive them of office, which is why they are in a hurry to finish them off. Unfortunately, many of our deputies are pretending that this does not affect them, as Union deputies did at one time. Alas that is not so.

Now in the Supreme Soviet there is delay over the examination of major questions of current legislation, the elaboration of laws themselves, and the implementation of domestic, foreign, and defense policy, for which the Supreme Soviet is no less responsible than the president and the government. "The problem, dear Brutus, lies not in our stars but in ourselves"—we people's deputies, the full-fledged representatives of the people, should apply Shakespeare's words to ourselves and take a critical look at our work. It is also clear that some deputies, including the chairmen of committees, have simply grown tired. There is no disgrace in it if someone gives way to another who is more knowledgeable and, most importantly, who wants to work for democracy, the parliamentary system, and the sovereignty of the people.

The vulgar interpretation of market relations and the uncritical adoration and fetishization of the market are causing tremendous harm. It is immoral to compare the democratic principles generally recognized in world civilization with the principles of the market economy—these concepts are on completely different levels. Mussolini, Hitler, Franco, and Pinochet were also advocates of the market economy. Do not forget that.

The cynicism and dishonesty of some members of the Supreme Soviet Presidium, which are passed off as pluralism, are doing vast moral and political damage to the whole representative power in the country, the Supreme Soviet, and the young Russian democracy, are sowing confusion in people's minds, and undermining their confidence in the authority and those who bear it. And I would venture to assert that they do nothing to strengthen the positions of the president or the government since such actions weaken Authority [Vlast] as a system, create a crisis of confidence in authority [vlast], rapidly reduce the state's international positions, and deal terrible blows to the future of the commonwealth countries because that future is largely bound up with Russia's fate and are intertwined with Russia.

These are the lessons that our not very easy history teaches us and, I wanted to remind people of this in connection with the so-called "constitutional crisis." It is time for people's deputies, starting at village and settlement level, all soviets, and our citizens to understand the threat emanating from those forces which are nurturing plans of "adopting" the Constitution by unconstitutional means and destroying the Supreme Soviet and the Congress of People's Deputies. They need to monitor the actions of people's deputies—it is high time that many of them accounted to the electors.

What can be more shameful or disgraceful than the actions of those deputies who are waging war on the representative branch of power and using their deputies' powers for that purpose? Their actions directly encroach on the sovereignty of the people and are aimed at destroying the constitutional system and causing the destruction of the country. It is high time that they understood that sooner or later they will be in the dock. No protectors will save them then because the shackles of the law will be placed on them. Thus it is better not to violate our laws. It is necessary to find within oneself the courage to recognize that such actions are wrong and try to resolve all complex questions through public consensus while renouncing the base methods of political struggle—bribery, threats, blackmail, false promises, cheap populism, and so forth.

Customs Tariff Law Enactment Postponed Until 1 Aug

PM0707102593 Moscow IZVESTIYA in Russian 3 Jul 93 First Edition p 2

[ITAR-TASS report under the "From Our Correspondents and News Agencies" rubric: "Russian Federation Law 'On Customs Tariff' Will Be Introduced 1 August"]

[Text] The Russian Federation Supreme Soviet has met the request of the Russian State Customs Committee and postponed the enactment of the Law "On Customs Tariff" until 1 August.

This is because the customs organs are not coping with the reregistration of contracts granting concessions regarding the payment of import and export duties.

Deputies Barred From Presidential Guard Base

LD0307082793 Moscow Ostankino Television First Channel Network in Russian 2000 GMT 2 Jul 93

[By correspondent A. Korovkin; from the "Novosti" newscast]

[Text] [Video shows parliamentary deputies approaching entrance to a military base.] We shot this footage at the entrance to a top secret military installation, which is situated in the Moscow area. Russian Federation Supreme Soviet deputies Vitaliy Georgiyevich Urazhtsev and Anatoliy Borisovich Koltunov decided—on the basis of their powers as deputies—to inspect the regiment guarding the president, which is stationed here. The deputies' interest in this military formation, which, according to their information consists of 11,000 personnel and is excellently armed and provided with the most up-to-date equipment, can be explained fairly simply. The regiment is not subordinated to anyone apart from the president.

What tasks are being tackled by the officers and men serving here? In accordance with what combat training plans is the training of personnel proceeding here? These were the questions of most interest to the people's deputies. A further question is whether this very powerful military formation, which is armed with grenade-launchers, the latest types of portable flamethrowers, silent assault rifles and much other equipment that is very much state-of-the art, constitutes a threat to Russia's parliament and its deputies personally. I remind you that the president's guards include the Alpha group, that is well-known as a result of the August putsch. The deputies' doubts were not dispelled at the Army checkpoint. They were simply not given access to the regiment's base.

[Lieutenant Colonel N.G. Novikov] The Russian Federation people's deputies' certificates are not valid at our post. The first time that deputy Urazhtsev came to visit the base it was recommended that he apply officially to the head of the Main Directorate. If he had received permission he could have visited our camp and unit without any hindrance.

Stepashin's Committee 'In Line' for Abolition

PM0207141993 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian No 13, 2 Jul 93 (signed to press 1 Jul 93) p 1

[Unattributed report: "Russia"]

[Text] It is the season of reports and reforms in parliament. Mikhail Mityukov's Legislation Committee—undoubtedly the most professional of all—has been abolished in the wake of Vyacheslav Bragin's Mass Media Committee and Sergey Krasavchenko's Committee for Economic Reform and Ownership Issues.

Among the next "in line" is Sergey Stepashin's Defense and Security Committee. Yevgeniy Kozhokin, chairman of the International Security and Intelligence Subcommittee, believes that the reason for the coming abolition is the same as before—the political differences between the committee and the Supreme Soviet which made themselves felt six months ago, when the question of the protection of top organs of state power was under discussion.

It is proposed to split the committee's functions in two—setting up an autonomous committee for defense issues and merging "security" with the current Committee for Legality, Law and Order, and the Fight Against Crime.

Yevgeniy Kozhokin believes that the most realistic candidate for the post of chairman of this future Supreme Soviet committee would be Colonel General Vladislav Achalov, chief of R. Khasbulatov's analytical center.

The general's career record includes having coordinated the introduction of troops into Baku in January 1990 and into Vilnius in January 1991, having prepared the State Committee for the State of Emergency conference on 18 August 1991, and a number of other successful operations.

Details of Draft Budget Passed 30 Jun Viewed

PM0607101993 Moscow IZVESTIYA in Russian 2 Jul 93 First Edition p 2

[Irina Demchenko report: "Difficult Course Toward Tough Budget Policy"]

[Text] On the evening of 30 June the Russian parliament adopted, with the rare wording "in the main," a decree on the draft law on the state budget submitted by the government. The draft law, which Boris Fedorov, vice premier and minister of finance, described as "a real and far more honest budget," contains substantial differences from the original version submitted to the Supreme Soviet earlier.

The indexation of all the subheads is the chief difference between the new document and the former versions. Thus, the revenue part of the state budget, which was previously planned in the sum of 10.2 trillion rubles [R], has been "augmented" by an additional R14.3 trillion and now totals R24.5 trillion. The expenditure part of the budget at R18.7 trillion has been "augmented" (the term used in the document) by R20.5 trillion and now equals R39.4 trillion [figures as published]. The state budget deficit has been "augmented" from R8.5 trillion to R15 trillion, including foreign credits from R7.2 trillion to R12 trillion. The amount of the state budget deficit stands at 30.2 percent of the expenditure part (38.6 percent in the original version) and 10.4 percent of gross domestic product (previously 12.2 percent).

According to the calculations of the Ministry of Finance, such a substantial reduction in the deficit is to be achieved by means of the following measures in the second half of the year: the introduction of an excise tax on gas and coal; a 30-percent increase in oil excises; the introduction of targeted dues to support agriculture and the coal industry; the creation of a targeted fund to support power generation and electrification.

In addition, the Ministry of Finance proposes that the Central Bank of Russia channel its own profits (R58.6 billion) into subsidizing credits for agriculture. Previously preferential credits were subsidized out of the state treasury.

Provision has been made in the expenditure part of the budget for the following potential economies: the gradual abolition of grain subsidies; the suspension of Article 2 of the Law on Grain, which provides for budgetary compensation to grain producers for most of their expenditure; a reduction by R14 billion in budget subsidies to the coal industry (with a simultaneous more than doubling of coal prices); a "proportional" reduction in other expenditure, with the exception of expenditure on the coal industry, concessions to agriculture, servicing of the state debt, and credits to CIS states, Azerbaijan, and

Georgia. I will remind you that on the very same day B. Fedorov announced the abolition of the institution of so-called "technical credits" to the Commonwealth states. Nevertheless, the amount of the permitted credits which the Russian Government can grant has been increased in the augmented budget by R800 billion.

The document points out, in addition, that "sequestration should also be extended to protected subheads" to the tune of 15 percent of the augmented annual projections. Translated from financial language into Russian, this means that parliament has permitted the government, at its discretion, to cut to 15 percent any of the previously inviolable budget subheads guaranteeing material support for education and medicine and the maintenance of servicemen and of citizens in need of state guardianship—Chernobyl victims, Afghan War veterans, orphans, etc. The latter circumstance evidently inspired Veniamin Sokolov, chairman of the Soviet of the Republic, to describe the augmented budget as a "purely financial document"—which the minister of finance should take as a very flattering compliment, if it tallied fully with reality. In actual fact, the "more honest" budget is still not free from paternalism—only now it has a more political than populist hue.

Of the seven points in the decree adopted by parliament "in the main," three were proposed by the government. The legislators allowed the federal executive to finance the third quarter's expenditure right up until the adoption of the finally augmented budget in accordance with the aforementioned figures, having obtained from the Central Bank a 10-year credit of R3.2 trillion at 10 percent annual interest, and to have full control over the expenditure part of the budget within the framework of this document.

In addition to the natural intense complaints about the bad timing of examining the annual budget almost in the middle of the year, the parliamentarians added to the decree a demand to finalize this augmented budget by 6 July and, in particular, to reveal expenditure and revenue in it in foreign currency. Thus, the next examination of the long-suffering—in all senses—budget has been scheduled for 6 July. True, it might not take place, because that same decree contains a mysterious stipulation: "A repeat examination of the augmented budget is possible on condition that the government provides a program of actions determining the budget's targeted thrust." The problem of the "targeted thrust" could become an insuperable obstacle threatening to leave Russia without an approved budget for this year. Maybe this would be the most honest way out.

Isakov Cited on Chairmanship of Legislation Committee

PM0207150993 Moscow SOVETSKAYA ROSSIYA in Russian 1 Jul 93 p 1

[Unattributed report: "V. Isakov Elected Committee Chairman"]

[Text] The Russian Supreme Soviet yesterday approved the candidates for the posts of two recently created parliamentary committees—those for constitutional legislation and for judicial reform and current legislation. They appeared in the Russian parliament after the reorganization 24 June this year of the Legislation Committee headed by People's Deputy Mikhail Mityukov. Let us recall that, while noting the "great juridical professionalism" of the reorganized committee's leader, most deputies blamed him for an "incorrect political position," which was allegedly geared to supporting a "policy of combating parliament."

The names of People's Deputies Vladimir Isakov, Oleg Rumyantsev, and Mikhail Chelnokov were today put on the voting list for the election of Legislation Committee chairman. After a "soft" ratings vote the name of Doctor of Juridical Sciences Vladimir Isakov was left on the list of candidates. The former deputy Supreme Soviet chairman, who is leader of the "Russian Unity" opposition bloc of parliamentary factions, garnered 50.2 percent of the votes and was elected chairman of the new committee.

Speaking prior to the voting, Isakov set out his vision of the new committee's main tasks. In his view it is important to delimit the functions of the committee and the Russian Federation Constitutional Commission. According to Isakov, the committee's main task is to prepare amendments to the existing Constitution and to see to it that the draft laws being adopted do not contradict the Fundamental Law. In the new chairman's opinion, special attention should be devoted to "mechanisms for implementing the Federation Treaty." He also stated that he would make every effort to ensure that the constitutional process in Russia is unified and does not proceed, as it does now, "at Federation level and in parallel at the level of the Federation's components."

Regional Affairs

Maritime Region Wants Status as Republic

LD0607121893 Moscow ITAR-TASS in English 1125 GMT 6 Jul 93

[By ITAR-TASS correspondent]

[Text] Vladivostok July 6 TASS—Yet another Russian region wants to get the status of a republic within the federation.

On Wednesday [7 July] deputies of the Primoriye Territorial Council of People's Deputies are to discuss a new charter of the Far Eastern territory.

The council said in a draft declaration published by the local "KRASNOYE ZNAMYA" newspaper that the status of a republic will ensure "to every person the inalienable right for a decent living, free spiritual, ethnic and cultural development".

The draft declaration says that the Maritime republic "is an integral part of the Russian Federation" governed by local laws except those issues which are under the jurisdiction of federal authorities.

However, if federal laws contradict local legislation they are suspended, according to the document.

The natural wealth of the Maritime republic will belong to its people and it will retain the right to free foreign economic relations and fully-fledged representation in the federal bodies of authority.

Earlier the Sverdlovsk region, the motherland of President Boris Yeltsin, proclaimed itself a republic within the Russian Federation.

Many Russian observers qualified the decision as an infringement on the Russian territorial integrity and a challenge to President Boris Yeltsin.

However, a member of the Presidential Council does not believe the move to be a tragedy for Russia.

Georgiy Satarov, who is also director of the Centre of Applied Political Research "INDEM", told TASS that the "Sverdlovsk precedent" transferred contractions between Russian regions "from concealed to an open form".

By proclaiming the Ural republic the leadership of the Sverdlovsk region made it clear that Russian territories and regions will no longer reconcile with the existence of "privileged subjects of the federation which are the national republics", he said.

"If we presuppose that the whole of the federation consists of republics there will be no claims for privileges as all the subjects will have an equal status", Satarov said, adding that nowadays Russian republics are striving to pay less taxes to the federal budget and at the same time to receive major appropriations.

The proclamation of the Ural republic "gives the centre additional trump cards in the discussion with the subjects of the federation on levelling the rights of the regions", according to Satarov.

In the meantime, the regions adjoining the Sverdlovsk one are not planning to join the Ural republic. TASS learned from reliable sources that head of the administration of the neighbouring Chelyabinsk region Vadim Solovyov does not support the idea.

Acting Chairman of the Chelyabinsk Regional Council Anatoliy Nacharov told the "CHELYABINSKIY RABOCHIY" newspaper that one should think about raising the status of the region to that of the republic only in case it is the only way to improve the life of the people.

Head of the Orenburg region Vladimir Yelagin did not support the idea either. "If everyone has its own position there will be no single and strong state which we want", he told TASS, adding that the creation of republics will lead to a deadend. Yelagin believes the division of authority between the centre and republics should go as envisaged by the Constitutional Conference.

The Perm region has not yet considered either the issue of joining the Ural republic or of raising its own status, head of the administration Boris Kuznetsov and Chairman of the Regional Council Mikhail Bystryantsev stated on Monday. Kuznetsov believes the proclamation of the republic to be "a too radical solution of the problem of inequality of the subjects of the federation."

Officials Comment on Forming Urals Republic

LD0607172293 Moscow ITAR-TASS World Service in Russian 1103 GMT 6 Jul 93

[By ITAR-TASS correspondent Tamara Zamyatina]

[Text] Moscow, 6 Jul—By proclaiming the Urals Republic, the leaders of Sverdlovsk Oblast made it clear that the localities and regions of Russia do not intend to accept the existence of privileged components [subekty] of the Federation like the national republics. That is the opinion of Georgiy Satarov, member of the Presidential Council and director of the "Indem" center for applied political research.

The "Sverdlovsk president" (the republic proclaimed 2 July by the local authorities—ITAR-TASS note) brought the conflicts between the regions within the Russian Federation out into the open, he said in an interview with the ITAR-TASS correspondent. He thinks that a situation where "the more rights the republics have, the less responsibility they have," cannot withstand criticism. This lack of symmetry between rights and obligations finds particular expression in the republics' attempts to reduce their taxation contributions to the federal budget, while enjoying large subsidies from the state coffers. "If you assume that the whole Federation consists of republics then claiming privileged positions is inappropriate, because all components will have equal status," he noted.

With the proclamation of the Urals Republic, "the center has gained additional trump cards in discussions with components of the Federation on bringing about greater equality in the regions' rights," Georgiy Satarov thinks. Moreover, he considers that the federal power bodies could take on the role of arbiter rather than being the subject of "haggling" by the republics.

Meanwhile, Sverdlovsk Oblast's neighbors are not hastening to join the Urals Republic. Informed sources told the ITAR-TASS correspondent that Vadim Solovyev, head of the administration of Chelyabinsk Oblast, does not share the idea of creating this republic. Anatoliy Nacharov, acting chairman of the oblast soviet, noted in an interview to the 'CHELYABINSKIY RABOCHIY' newspaper: "We should only work on this idea if it is the only way to enhance our status or improve our lives. Otherwise we could find ourselves in the situation of the proverbial frog which puffed itself up and puffed itself up to grow into an elephant, and then burst."

Vladimir Yelagin, head of the administration of Orenburg oblast, does not support the decision to form a Urals Republic. "If everyone takes up a different position their will not be the single, strong state which we are all striving to form," he said to the ITAR-TASS correspondent. In his opinion, the formation of individual republics will lead to nowhere. He suggests that the process begun by the Constitutional Conference toward "a sensible division of powers between the center and the components of the Federation" should be continued. The situation in Orenburg oblast is calm, and political events along the lines of the creation of a republic have yet to be observed.

Boris Kuznetsov, head of the of the administration, and Mikhail Bystryantsev, chairman of the oblast soviet, stated on Monday that Perm oblast has decided neither to join the new state entity nor to form its own. In the current political and economic climate this would be going to far, a too radical solution to the problem of the real inequality between the components of the Federation, Boris Kuznetsov considers.

Further on Republic

MK0707101093 Moscow NEZAVISIMAYA GAZETA in Russian 7 Jul 93 p 3

[Radik Batyrshin report: "Time Has Come To Pay for Mistake. Leaders of Ufa and Kazan on Krays and Oblasts Going Sovereign"]

[Text] Murtaza Rakhimov, chairman of Bashkortostan's Supreme Soviet, has no doubt that the declaration by the Sverdlovsk Oblast Soviet of the Urals Republic did not take place without some Moscow politicians' having a hand in it. "Who gave them the right to call themselves a Urals Republic?" he wondered. "The Bashkirs, Tatars, Chuvashes, Maris, Mordvinians, and Udmurts lived in the Urals long before the coming of the Russians," the Bashkir leader remarked. In his words, one should not attach great importance to what had happened—"many stupid things are being done today." Besides everything else, Rakhimov called the Sverdlovsk Oblast Soviet unconstitutional: "There could not very well be 63 Russian states on the territory of Russia."

"I have no wish at all to go to Moscow for the Constitutional Conference session. Why should I adopt a new constitution together with Zhirinovskiy and the other scum?" asked Rakhimov. "I feel ashamed just sitting there," underscored the chairman of Bashkortostan's Supreme Soviet.

Tatarstan President Mintimer Shaymiyev does not rule out that the declaration of the Urals Republic is a device to pressure the republics. In his opinion, this much could be gathered from the favorable reactions in the Moscow press. "But pressure on Tatarstan is useless—neither Shaymiyev nor Mukhametshin can depart from provisions of the republic's constitution," the president declared. According to him, Tatarstan's course toward constitutional- contractual relations with the Russian Federation remains unchanged: "This will be a union, a durable union at that." It is the recognition of Tatarstan's special status that, in Shaymiyev's words, is a condition for the return of the republic's representatives to the Constitutional Conference. There has not been so far any official Moscow reaction to Tatarstan's walkout from the Constitutional Conference. In the view of Mintimer Shaymiyev, the declaring of krays and oblasts as republics results from a mistake made at the conclusion of the Federation Treaty. "Krays and oblasts should not have been granted the status of components of the Russian Federation, but the federal authorities chose to do that to duck acute issues," the Tatarstan president said. Now, Shaymiyev, the time has come to pay for this mistake.

Far Eastern Official Claims Idea of Republic Rejected

LD0707105593 Moscow Radio Rossii Network in Russian 0800 GMT 7 Jul 93

[Text] The attitude of all the members of the Far Eastern Economic Cooperation Association to the idea of reviving the Far Eastern Republic is negative. They are also against setting up a federal state, a so-called North Pacific Union, on the territory of the Russian Far East—an idea which has been propagated by a few small groups. A RIA correspondent learned this from Aleksandr Panchenko, director general of the Far Easter Economic Cooperation Association. The association brings together representatives of administrations and soviets from the Khabarovsk and Maritime krays, from Magadan, Kamchatka, and Amur oblasts, as well as from other territories in the region.

Aleksandr Panchenko stressed that the association supports the demand to grant equal rights to all of Russia's constituent parts, whether they are republics, krays, or oblasts.

Rutskoy Comments on Novosibirsk Visit

LD0607200893 Moscow Russian Television Network in Russian 1900 GMT 6 Jul 93

[By correspondent A. Samoletov; from the "Vesti" newscast]

[Text] [Samoletov] The visit by Russian Vice President Aleksandr Rutskoy to Novosibirsk, which was held within the framework of the celebrations to mark the town's centenary, ended today. Before getting onto his plane, Aleksandr Rutskoy said:

[Begin Rutskoy recording] We must learn from the people of Siberia, by that I mean the country's leadership, in the matter of interaction and coordination of our actions and making decisions. What can I say? Simply that pleasant impressions remain, of the inhabitants of the town and the town's leadership. The festival went remarkably well. Essentially, there was no practical assistance on the part of the central authorities—the government—for the festival. In the main everything was done from their own internal resources. [end recording]

[Samoletov] Compared with yesterday, the tone of today's criticism of the government was also somewhat different.

[Begin Rutskoy recording] Today everyone is complaining at everyone else and crying on their shoulders, so to speak, and I tell you that absolutely nothing will change until the president changes his attitude in these areas—in other words in political, legal, and economic reform. [end recording]

[Samoletov] Early this morning the vice president flew to Moscow, promising to return but with a pre-election program.

North Ossetia, Ingushetia Make Accusations

LD0207220593 Moscow Radio Rossii Network in Russian 1900 GMT 2 Jul 93

[Text] The North Ossetian Security Council met today. It appealed to the Russian president, to the head of government and the interim administration, to take decisive measures to strengthen the state of emergency in order to prevent bloodshed and to avoid penetration by armed groups from the territory of the Ingush Republic. In a statement to Ruslan Aushev, president of Ingushetia, the North Ossetian leadership demands a halt to bandit actions and to call guilty people to account. At the same time, Ingushetia is accusing North Ossetia of terrorism. In particular Guseyn Bakharoyev, head of the Ingush president's press service, who has telephoned our editorial office, told us that armed groups from North Ossetia are penetrating the republic's territory.

Roundtable Statement on Ossetian-Ingush Conflict

PM0507103593 Moscow ROSSIYSKAYA GAZETA in Russian 2 Jul 93 First Edition p 2

[Unattributed report: "Peace and Accord for the North Caucasus"]

[Text] A roundtable meeting has been held in Pyatigorsk. Ramazan Abdulatipov, chairman of the Supreme Soviet Soviet of Nationalities; Sergey Shakhray, deputy chairman of the Russian Government; and representatives of national movements and social organizations of the North Caucasus took part in its work.

On the basis of the conference's results, an agreement was signed on the foundations of cooperation to strengthen civil peace and interethnic accord in the region. A decision was adopted to make joint efforts to stabilize the situation and develop good neighborly relations and cooperation among the peoples of the North Caucasus.

The participants in the roundtable adopted a statement on the Ingush-Ossetian conflict.

Aware of their full responsibility for peace and stability in the region, the statement says, and with a sincere desire to ensure security and prosperity for all the inhabitants of the North Caucasus regardless of their nationality, language, or religious persuasion, the representatives of the national movements and social organizations declare their support for an exclusively peaceful, political solution to the Ingush-Ossetian conflict. We consider that the accords reached during the talks in Kislovodsk directly between the participants in the conflict create a political and legal basis for restoring good-neighborly relations between Ingushetia and North Ossetia.

The most important thing today is their practical implementation. By the opposing sides above all. We urge R. Aushev, president of the Ingush Republic, and A. Galazov, chairman of the North Ossetian Soviet Socialist Republic Supreme Soviet, all the organs of state power, all parties, national movements, and social and religious organizations in both republics to do everything to ensure the honorable fulfillment of the commitments they have made for continuing the negotiation process in the interests of broadening the area of accord.

The participants in the roundtable conference believe that a new explosion cannot be prevented unless the conflicting sides immediately begin the practical implementation of the accords on the most acute problem—the return of refugees. We urgently appeal to the leadership of Ingushetia and North Ossetia to show good will and in the near future begin the return and resettlement of refugees in accordance with the mutually agreed procedure.

We advocate the unconditional fulfillment by the Ingush and Ossetian sides of other accords without which peace and calm will not reign in the conflict region for a long time to come: accords on the search for the missing and the burial of the dead, on the exchange of hostages, and on the disarmament of illegal armed formations. This is demanded not just by the political realities but also by the generally recognized moral norms and our Caucasian traditions.

We express the hope that figures from the worlds of culture, art, and science, the clergy, elders, representatives of the press—all who shape people's outlooks and feelings—will be fully aware of the responsibility resting on them, will show wisdom and restraint, and will actively help the creation of the moral and psychological atmosphere necessary for achieving interethnic peace and accord in the North Caucasus.

The participants in the roundtable consider that the creation of the necessary political, legal, organizational, and material conditions ensuring the implementation of the accords reached at the Kislovodsk talks, the maintenance of order in the conflict zone, and the elimination of its socioeconomic consequences depends to a tremendous extent on the federal organs of power.

We draw the attention of the president, the Supreme Soviet, and the government of the Russian Federation to the need for the consistent fulfillment of the commitments assumed by the Federal center, including those on giving financial and material assistance to the placement of refugees and all who have suffered as a result of the conflict.

The national movements and social organizations of the North Caucasus hope that the federal organs of power will make full use of the force of the law to implement the decisions that have been adopted, safeguard law and order, and protect the security of citizens and for their part be ready to assist them in this. We expect that work will be speeded up to expose and punish in strict accordance with the law all those guilty of organizing armed clashes, violence, and other crimes.

We consider it our duty to do everything to help find ways to overcome the conflicts, not deepen them. With this aim in mind we propose creating from among the participants in the roundtable a kind of mediatory peacemaking commission for the solution of contentious conflict problems emerging in the North Caucasus.

The national movements and social organizations which we represent, the statement stresses, will do everything in their power to settle the Ossetian-Ingush conflict and its consequences so as to prevent the emergence of another armed confrontation. We are ready to cooperate constructively on this with all organs of state power, other national movements, organizations, and parties interested in peace and prosperity in the North Caucasus and operating within the framework of constitutional legality.

Report Submitted on Investigation in North Ossetia

LD0507084493 Moscow ITAR-TASS in English 0751 GMT 5 Jul 93

[By CRIME-PRESS]

[Text] Moscow July 5 TASS—Russia's Prosecutor General Valentin Stepankov has submitted reports on the results of preliminary investigation into the events in Prigorodnyy region of North Ossetia in October-November, 1992, to Russian President Boris Yeltsin, Chairman of the Russian Parliament Ruslan Khasbulatov and Prime Minister Viktor Chernomyrdyn.

The submitted documents are confidential. In particular, they contain an analysis, made by workers of the Russian Prosecutor's Office, of the situation which triggered the conflict and point out the causes of the conflict and circumstances under which mass crimes and numerous violations of law were committed.

Yakutia May Suspend Diamond Supplies

MK0607083493 Moscow SEGODNYA in Russian No 31, 6 Jul 93 (signed to press 5 Jul) p 1

[POSTFACTUM report: "Emergency Situation Imposed in Yakutia"]

[Text] Back from a recess, Yakutia's parliament is to confirm within the first 10 days in July a decision to introduce in the republic "an emergency situation with special-rule regulations" as of 1 July. Yakutia's Vice President Vyacheslav Shtyrov stated that this may cause suspension in the supply to Russia of precious metals and diamonds. In his words, Yakutia, as an extreme measure, may sell these valuables on the external market independently of the federal authorities.

Chernozem Leaders Want More Financial Aid

PM0507122193 Moscow PRAVDA in Russian 2 Jul 93 p 1

[Undated appeal "To Russian Federation President B.N. Yeltsin, Supreme Soviet Chairman R.I. Khasbulatov, and Council of Ministers Chairman V.S. Chernomyrdin" from Central Chernozem Zone leaders: "Are We Going To Let Grain Rot Where It Stands?"]

[Text] A good harvest of grain, feed, and industrial crops is ripening on the farms of Russia's Central Chernozem Zone, but an emergency situation has now developed here: The shortage of circulating capital and the lack of preferential credit resources are not providing the opportunity to acquire the necessary harvesting machinery, fuel, spare parts, and so on. There is a real danger that the ripe harvest could be left standing.

All this is happening against a background of the implementation of economic reform, accompanied by the clear manifestation of discriminatory measures against the economy's agrarian sector. The material and technical base that has been created on collective, state, partnership, private, and other farms will be destroyed. The number of livestock and the production of agricultural output are sharply decreasing.

The proclaimed course of reviving the countryside is not being backed up by practical deeds. The policy of ruining the peasants is continuing.

A monopoly diktat has been established by the industrial enterprises supplying the countryside with vehicles, equipment, petroleum oils and lubricants, electricity, construction materials, and combined feeds. The egoism of manufacturing and trading organizations, which are forcing their will on the agricultural economy, is constantly being displayed to a great extent. Banks and financial organs are limiting and delaying the payment of subsidies and credits prescribed by the Russian Federation Government.

In 1992, for example, factory-gate prices for industrial goods in the region increased by a factor of 14.5, while purchase prices for stock-raising products increased by a factor of 7.6. This pricing chaos has led to a reduction in the production of agricultural output and to the bankruptcy of agricultural goods producers. Peasants' wages lag considerably behind wages in other sectors.

In the prevailing situation, we demand that you:

1. Solve questions associated with gathering the harvest and, first of all, allocate preferential credits and centralized financial resources for the acquisition of petroleum oils and lubricants, spare parts, and machinery. Ensure the procurement of grain, vegetables, and industrial crops for federal and regional stocks.

Ensure price parity in barter between agro-industrial complexes and other spheres of the economy.

Restore the previous system of dual prices for basic means of production at which the countryside obtained vehicles, equipment, and other industrial goods at preferential prices subsidized by the state.

2. Immediately take specific measures ensuring the implementation of the decrees of the Congress of Russian Federation People's Deputies on reviving the Russian countryside, developing the agro-industrial complex, and stabilizing the economy.

Annually channel at least 15 percent of the state's national income into the countryside's development.

Abolish all types of taxes for producers of agricultural output, including value added tax, leaving land tax. Every month compensate agricultural enterprises from the state budget for at least 60 percent of expenditure on petroleum oils and lubricants and other power sources. Pay for the development of the agricultural social sphere (the construction of roads, schools, hospitals, clubs, and health institutions) from the state budget.

Additionally allocate preferential credit resources for the creation of a material and technical base for peasant (private) farms with repayment terms of between three and five years.

Implement the privatization of processing and agricultural service enterprises giving collective, state, and private farms and agricultural joint-stock companies the priority right to acquire a controlling block of shares and preferential terms in location and servicing zones.

We request prompt consideration of the questions raised.

[Signed] V. Berestovoy, president of the "Chernozem Zone" Association and head of Belgorod Oblast Administration; G. Fedorov, general director of the "Chernozem Zone" Association; A. Kovalev, head of Voronezh Oblast Administration; I. Shabanov, chairman of Voronezh Oblast Soviet of People's Deputies; V. Shuteyev, head of Kursk Oblast Administration; V. Likhachev, chairman of Kursk Oblast Soviet of People's Deputies; M. Narolin, head of Lipetsk Oblast Administration; O. Korolev, chairman of Lipetsk Oblast Soviet of People's Deputies; Ye. Stroyev, head of Orel Oblast Administration; N. Volodin, chairman of Orel Oblast Soviet of People's Deputies; V. Babenko, head of Tambov Oblast Administration; A. Ryabov, chairman of Tambov Oblast Soviet of People's Deputies.

Appeal Seen as 'Old Practice'

PM0607121193 Moscow ROSSIYSKIYE VESTI in Russian 3 Jul 93 p 2

[Nikolay Gorlov report: "Harvest Progress"]

[Text] Six oblasts of Russia's Central Chernozem Region (Belgorod, Voronezh, Kursk, Lipetsk, Orel, and Tambov), represented by their administration heads and oblast soviet chairmen, have begun the battle for the harvest—a battle which is currently being waged in corridors of power rather than in the fields. In an open letter to the ruling "triad" (the president, speaker of parliament, and prime minister) the Chernozem "strong men" dictated the terms on which they would be prepared to attempt to stop the grain "rotting where it stands." Specifically, it is a question of the allocation of preferential funds and the restoration of the former system of dual pricing for basic means of production—whereby machinery and equipment would be delivered to the countryside at preferential rates with state subsidies and monthly compensation of at least 60 percent of agricultural producers' expenses for fuel, lubricants, and other energy sources.

The lamentable state of our agro-industrial complex is no secret to anyone, but why has this ultimatum been delivered by what is by no means Russia's poorest and hardest-hit region? Clearly, because they have "up their sleeve" the prospect of a decent harvest and, consequently, a real way of pressuring the government. Judging by everything, this is the start of the latest round in the clash over grain purchase prices that we saw last year. There is no doubt that over the past year the government has not been able to eliminate price imbalances, and normal market commodity exchange has not been organized between city and countryside. It is, however, regrettable that some people see the solution not in creating a market mechanism through joint efforts but in resorting to the old practice of "finagling" money out of the state budget. This clearly strikes them as simple, reliable, and cheap. Yet every soft loan "extorted" from the empty budget today will have an impact on the countryside tomorrow in the shape of a tractor that is twice as expensive.

Tatarstan Vice President Hints at Resignation

LD0407083793 Moscow Radio Rossii Network in Russian 0700 GMT 4 Jul 93

[Text] Tatarstan Vice President Vasiliy Likhachev has informed an EKSPRES KHRONIKA correspondent that during bilateral talks between Russia and Tatarstan, Moscow agreed to accept Kazan's conditions on the constitutional and treaty relations between the republic and the Federation.

The vice president also spoke about his possible resignation. He explained it by the fact that he does not fit in with the president's team.

Bashkortostan's Treaty With Russia Drafted

LD0607095193 Moscow ITAR-TASS in English 0843 GMT 6 Jul 93

[By ITAR-TASS correspondent Ali Shakirov]

[Text] Ufa July 6 TASS—"The only matter on which Bashkortostan and Russia have failed to reach accord are budgetary relations and taxes," Anatoliy Kopsov, chairman of Bashkortostan's Council of Ministers, told ITAR-TASS upon his return from Moscow. "Negotiations on this matter continue". Kopsov headed the delegation of Bashkortostan conducting negotiations on the signing of a treaty on the basic principles of relations between Russia and Bashkortostan.

The Bashkir delegation was received by head of the Russian Government Viktor Chernomyrdin and had meetings with some members of the Russian Government. It was noted during the meetings that the main part of agreements forming the future treaty has been prepared for the signing by heads of the delegations. These are agreements on the separation of powers in environmental protection, the health services, property, international and foreign economic relations, cooperation between the Russian Academy of Sciences and Bashkortostan's Academy of Sciences, Interbank Relations.

An arrangement on Viktor Chernomyrdin's visit shortly to Ufa to sign the drafted agreements has been achieved during these meetings.

Vologda Oblast To Draft Constitution

PM0607152193 Moscow IZVESTIYA in Russian 3 Jul 93 First Edition p 2

[Viktor Filippov report: "Vologda Oblast Prepares Its Own Constitution"]

[Text] Vologda—Not one of the three draft charters for Vologda Oblast submitted for examination by the session of the oblast soviet was accepted as a basis. Utilizing the experience of the Constitutional Conference, deputies decided they would avoid conflict. They set up a working party, which is to prepare a unified draft by 1 October.

Having proclaimed their oblast a state-territorial formation with the same rights as a republic in the middle of May, the Vologda deputies firmly intend to give their decision a legal basis. In their opinion, this will be the Constitution (Fundamental Law) of Vologda Oblast, which is an equal component of the Russian Federation.

The oblast, according to the deputies, should enjoy full state authority on its territory apart from those powers which are transferred to the jurisdiction of the Russian Federation in accordance with the Russian Constitution. As for state emblems, Vologda Oblast will only have its own coat of arms: A red shield on which is depicted an arm emerging from a cloud grasping a golden orb and silver sword.

The majority of deputies voted to retain local legislative power in the form of a unicameral oblast soviet of 86 deputies. They rejected a proposal to introduce the office of governor instead of head of administration. In the unanimous opinion of deputies, an article on dismissing the head of administration from office on the initiative of the oblast soviet should figure in the oblast constitution, while only a few voted in favor of granting the head of administration the right to dissolve the soviet.

Incidentally, Oblast Soviet Chairman Gennadiy Khripel stated that the deputies' opinion is not binding on the working commission and that the draft constitution will be published for discussion by the inhabitants of the Vologda region.

International Affairs

Kravchuk Requests $100 Million From G-7

LD0607164993 Moscow ITAR-TASS in English 1608 GMT 6 Jul 93

[By UKRINFORM for TASS]

[Text] Kiev July 6 TASS—Ukrainian President Leonid Kravchuk asked the G-7 leaders to create a 100-million dollar fund for support of private enterprise in Ukraine.

On the eve of the "G-7" summit in Tokyo he sent a letter to each of the leaders which says that Ukraine, as a young European state, "aims to integrate into the world economic community and is gradually creating corresponding legislative conditions for foreign investors".

The republican government has prepared data on more than 1,000 objects for foreign investments. 110 investment projects worth 7.22 billion US dollars have been worked out.

"In this connection Leonid Kravchuk referred to the "G-7" leaders with a request to promote the creation in Ukraine of a fund for support of small-scale (private) businesses in the amount of 100 million dollars", the UKRINFORM news agency said.

Kiev's Pro-Nuclear Moves Could Prompt Arms Race

PM0707133193 Moscow IZVESTIYA in Russian 7 Jul 93 First Edition p 3

[Aleksandr Sychev report: "Ukrainian Parliament Upholds Right To Own Nuclear Weapons"]

[Text] The events which occurred in the Ukrainian parliament last Friday [2 July], when there was a vote on the draft "Basic Dimensions [napravleniya] of Ukrainian Foreign Policy" submitted by Foreign Minister Anatoliy Zlenko, took an unexpected turn a few days later.

It is known that 226 legislators voted for the draft, and 15 against it. One of the document's provisions was a confirmation of Ukraine's pledge to become a nuclear-free state. At the very last moment Dmitriy Pavlychko, chairman of the Foreign Policy Commission, submitted an amendment stating that Ukraine in its foreign policy supports the idea of full nuclear disarmament. The text goes on to state that, for historical reasons, the republic became "the possessor of the nuclear weapons which it inherited from the former Soviet Union." Ukraine does not approve of their use and excludes the nuclear weapons factor from its foreign policy.

A conflict situation arose in connection with a variant interpretation of the voting results. According to the procedure adopted in the Ukrainian parliament, each amendment must be examined by deputies separately from the draft of the proposed document. Pavlychko's addition was not subjected to this procedure. This gave the Ministry of Foreign Affairs the right to consider that it had not been adopted and that Ukraine had announced that its official policy was to implement the protocols to the Treaty on the Reduction of Strategic Offensive Arms (START I) and to the Treaty on the Nonproliferation of Nuclear Weapons signed by President L. Kravchuk in Portugal.

The members of parliament, however, did not agree with the Foreign Ministry's viewpoint, declaring that the proposed amendment had become law. Speaking in strict juridical language, the "Basic Provisions [polozheniya]" are not considered a legislative act and in no way belittle the significance of Kiev's adopted pledges to rid Ukraine of the nuclear arsenal left on its territory "for historical reasons." Although this document defines the main foreign policy aims, which the government is recommended to try to achieve, so as not to have complications with the legislators.

"We no longer do as we are told by the Foreign Ministry," Bogdan Gorin, deputy chairman of the Foreign Policy Commission, explained parliament's position. It is thought, however, that the deputies' actions are dictated not by a sense of contradiction and a desire to confirm their lawmaking right by any means, even the most thoughtless means.

This is not the first attempt by a group of Ukrainian parliamentarians to secure nuclear status, which, in their opinion, will at once place the republic among the top-ranking world powers and give it a strong trump card in international affairs. A number of observers in Moscow also point out that the recent bombing of Baghdad by U.S. aviation [as published] played a definite role in galvanizing supporters of the nuclear right. At the time Kiev voiced its disagreement with that operation in a reasoned manner, while the nationalistically-minded parliament drew its own conclusions—nuclear weapons should be preserved as a guarantor of security.

One more serious bid has thereby been made for the right of ownership and, thus, for nuclear status. We know even now what this could lead to. If the Ukrainian parliament achieves its set aim, the nuclear nonproliferation regime will be undermined in the near future, and mankind risks being drawn into a new arms race, whose participants will be not only the five recognized nuclear powers plus Ukraine but also many other "near-nuclear states." Under these conditions it will be absurd to speak of security. In the shorter term we should obviously expect a further complication of Kiev's relations with its neighbors and partners in the West.

Sevastopol Rally Protests 'Show of Force'

LD0207202293 Moscow Radio Rossii Network in Russian 1800 GMT 2 Jul 93

[Text] The situation in the Crimea remains extremely difficult because of the events in the Black Sea Fleet. A rally was held in Sevastopol today attended by the townspeople and seamen of the Black Sea Fleet. The rally was convened following a report that three trainloads of Ukrainian armored personnel carriers had arrived at Sevastopol Tovarnaya station. Yevgeniy Novikov reports with the details.

[Novikov] The Ukrainian Naval Fleet press center confirmed this report and announced that the equipment had arrived in connection with the planned formation of Ukraine's naval forces. The townsfolk are of a different opinion and have no doubts as to why such an inappropriate moment was chosen to bring in Ukrainian military equipment. The citizens of Sevastopol regard this as a show of force. The fleet personnel takes a very negative view of Yeltsin's statement yesterday, in which he confirmed the Zavidovo agreements. Deputies from the Crimean Parliament who attended the rally voiced the view that at this critical moment Russia is leaving Crimea to its own fate. Officers of the Fleet think that the situation in the town is such that the smallest spark would trigger a conflagration. At the same time, the inhabitants of Sevastopol have become accustomed to the confusion of the last few months and are keeping relatively calm and voicing the hope that the fleet will remain united, for the peace of all residents of the Crimea depends upon this.

According to the Black Sea Fleet press center, at present Ukrainian flags are aloft on only three ships; 220 auxiliary ships are flying the St. Andrew's flag; the remaining ships are flying the flags of the USSR Navy.

Crimea's Supreme Soviet has voiced concern that the presidents failed to heed the opinion of the Crimean deputies. The situation in Sevastopol remains unclear.

Sevastopol NSF Calls For Creating Combat Units

LD0607135993 Moscow Russian Television Network in Russian 1000 GMT 6 Jul 93

[From the "Vesti" newscast]

[Text] It is possible that Russian-Ukrainian relations could deteriorate somewhat, this time over the way things are going in Sevastopol. POSTFACTUM has today reported that Sevastopol's National Salvation Front [NSF] has called upon the men of the town to organize themselves into combat units on the basis of their places of residence and work. According to information from the NSF, more than 70 armored vehicles and around 200 fighters, who could act at any moment, have returned from Yugoslavia and arrived in Sevastopol. Aleksandr (Kruglov), a member of the Sevastopol town soviet, has said that if Russia's parliament adopts a decision to finance the Black Sea Fleet from Russia's budget and take Sevastopol under Russian jurisdiction, "we will call for the illegal occupying power to be brought down and put ourselves under the authority of the town soviet."

Crimean Leader Protests Military Movements

LD0307163993 Moscow Radio Rossii Network in Russian 1600 GMT 3 Jul 93

[Text] The Ukrainian Navy has begun creating a marine battalion in Sevastopol without notifying the Crimean Parliament, which is against the law, Crimean Supreme Soviet Chairman Nikolay Bagrov told a news conference. He was answering a question about recent movements of large amounts of military hardware to Sevastopol.

According to the traffic office at the Sevastopol goods station, 62 armored cars and two armored reconnaissance vehicles have been unloaded from incoming trains in two days. Bagrov said that representations have been made to the Ukrainian Navy commander officer and that Ukraine's President Leonid Kravchuk has been told. The Crimean Supreme Soviet's military commission has been instructed to identify all the units that have been deployed to the peninsula without reference to the parliament, RIA reports.

Crimea Resumes Russian Radio Broadcasts

LD0507103893 Moscow Radio Rossii Network in Russian 0900 GMT 5 Jul 93

[Text] In response to insistent requests from Crimeans, who appealed repeatedly to the Crimean Supreme Soviet commission for glasnost, information, and the study of public opinion, transmission of the Mayak and Radio Rossii programs has been resumed after a six-month break. The Crimean Supreme Soviet commission recommended that the republic's Council of Ministers find the means to organize the transmission of radio programs that interest the population in the peninsula by allocating the respective item of expenditure in the 1994 budget.

Kuchma Visit To Tallinn, Vilnius Previewed

LD0607104893 Kiev UKRINFORM in Ukrainian 0814 GMT 6 Jul 93

[By UKRINFORM correspondent Valentin Vernodubenko]

[Text] Kiev, 6 Jul—A government delegation headed by Ukraine's Prime Minister Leonid Kuchma left today on a visit to Tallinn and Vilnius.

The strategic aim of Ukraine's Government is the restoration and development of economic and commercial relations not only with CIS countries but also with the republics of the former USSR. During the current visit efforts will be directed at strengthening full-blooded links with Estonia and Lithuania. Another topic of discussion will be issues relating to the position of Ukrainians in those countries. It is envisaged that as a result of the negotiations a number of official documents will be signed.

NATO Military Delegation To Discuss Cooperation

LD0607103593 Kiev Radio Ukraine World Service in Ukrainian 0500 GMT 6 Jul 93

[Text] A group of NATO officers led by Lieutenant Colonel (Senachel), head of the East European countries sector, is in Kiev. This group will work with a delegation from Ukraine's armed forces for four days. They will examine issues concerning the main guidelines for cooperation between the military structures of NATO and the Ukrainian Armed Forces. They will also prepare for a visit to Ukraine by the head of the NATO Military Committee.

Kazakhstan

Grachev Seeks 'Russian Status' for Baykonur

LD0207203793 Moscow Russian Television Network in Russian 1900 GMT 2 Jul 93

[By correspondent A. Ilyin; from the "Vesti" newscast]

[Text] During their visit to Baykonur a working group of Defense Ministry specialists together with a Russian Government delegation studied for two days the questions of how the cosmodrome should be used in the future and how its status should be defined. In the opinion of Pavel Grachev, so far it has been absolutely clear that without Russian specialists none of the CIS states is able to use on its own any strategic facility, moreover, Baykonur. At the same time, Russia, which continues to pay enormous money and to keep a qualified personnel at the cosmodrome, needs to have guarantees for its rights consolidated in an appropriate agreement. So far an agreement has been reached between the Russian and Kazakhstan military departments under which 5,000 citizens of this republics will begin their service in the Russian military space forces as soon as July.

Pavel Grachev met the cosmodrome's officers' corps today. They unanimously advocated giving Russian status to the cosmodrome.

[Begin Grachev recording] I support their opinion and will do everything I can to persuade the leadership of both Russia and Kazakhstan to give it Russian status. [end recording]

Signs Army Staffing Agreement

PM0607123393 Moscow KRASNAYA ZVEZDA in Russian 3 Jul 93 p 1

[Yuriy Mamchur report: "Agreement Signed at Baykonur on Troop Staffing"]

[Text] On Thursday, 1 July, Army General Pavel Grachev, Russian defense minister, and Army General Sagadat Nurmagambetov, his Kazakhstani counterpart, signed an agreement on reciprocal staffing of Russian forces stationed on Kazakhstan's territory.

According to the document, the Kazakh side pledges to provide the Russian troop units with 6,000 soldiers during the period 5-10 July. This includes 1,500 for subunits serving Baykonur. Thus, Kazakhstan will supply 25-30 percent of the manpower of Russian troops stationed on this republic's territory.

In turn the Russian side pledges, as of this fall, to train specialists for the Kazakhstani Armed Forces at our training centers. The first group of Kazakh Army privates and NCO's will start acquiring the urgently needed training in September.

No Final Decision on Baykonur Status

LD0207162493 Almaty Kazakh Radio Network in Kazakh 0600 GMT 2 Jul 93

[Text] Talks between Kazakhstan and Russia were held on 1 July to determine the status of the Baykonur cosmodrome. The two sides failed to agree on the final decision, and a special commission which will tackle this issue has been set up. Despite this fact, Kazakh Defense Minister Sagadat Nurmagambetov and Russian Defense Minister Pavel Grachev signed a cooperation agreement. The agreement was confirmed by Prime Ministers Soskovets and Tereshchenko. Between 5-10 July, before this decision becomes valid, the Russian Federation will send 1,500 troops to Baykonur. The total number of Russia's soldiers stationed in Kazakhstan is 6,000. In its turn Russia will educate the military from Kazakhstan at training centers.

Holds News Conference

LD0207160293 Moscow ITAR-TASS in English 1407 GMT 2 Jul 93

[By ITAR-TASS correspondent Andrey Naryshkin]

[Text] Leninsk (Kazakhstan) July 2 TASS—Two strategically important exercises will be held in the western and eastern theatres of operations in August-September, visiting Russian Defence Minister Pavel Grachev told a news conference here on Friday [2 July].

All the branches of the Russian Armed Forces will participate and train to repel an enemy's air- and space-borne attack, he said.

The Russian Defence Ministry also plans to hold an experimental exercise for anti-aircraft troops on the territory of the Leningrad military district.

The exercise would be the first of its kind in Russia: It would aim at defining the conceptual approaches to the development of air defence and coordinating the positions of the General Staff, the main commands of anti-aircraft and ground troops.

"After the exercise we will make the final decision as to the nature and the name of the Russian air defence troops," Grachev said.

In his opinion, the name "air-and-space defence troops" more adequately corresponds to their tasks and composition.

NATO Experts Arrive, Hold News Conference

LD0607144293 Moscow ITAR-TASS in English 1234 GMT 6 Jul 93

[By KAZTAG-TASS correspondent Ivan Zakharchenko]

[Text] Almaty, July 6 (TASS)—After visiting Uzbekistan, Turkmenistan and Kyrgyzstan, a group of NATO experts arrived in Kazakhstan. The group includes

Tugay Ozceri, permanent representative of Turkey in this organisation, Erika Bruce, director of the press and information department, and Lieutenant-General Gerrit Jan Vlomer, representative of the Netherlands in the NATO military committee.

The guests held a news conference in the Kazakh capital. The experts told journalists that the aim of their visit to Kazakhstan is to create a personal impression about the republic, as well familiarise the Kazakh people with new concepts of NATO.

The trip was organised under the auspices of the Council of the North Atlantic Community, set up in December 1991, which includes NATO member countries and the states that previously belonged to the Warsaw Pact, including the republics of the former Soviet Union.

The main directions in the council's activities are to hold mutual consultations on key problems connected with policy and security, and an exchange of views on actual economic issues.

The NATO experts also met with scientists and public representatives of the Kazakh capital.

The NATO representatives left Almaty today for Istanbul.

Prime Minister, Delegation in Turkey for ECO Meeting

LD0507142993 Almaty Kazakh Radio Network in Kazakh 2300 GMT 4 Jul 93

[Text] On 4 July an official delegation led by Kazakh Prime Minister Sergey Tereshchenko arrived in Istanbul. Among the delegates are head of the president's administration and the Cabinet of Ministers' Nurtay Abykayev, Foreign Affairs Minister Tuleutai Suleymenov, and other officials.

The delegation of the Republic of Kazakhstan was met by Turkish Foreign Minister Hikmet Cetin, and Kanat Saudabayev, ambassador of the Republic of Kazakhstan to Turkey. Our delegation will participate in a regular sitting of heads of member states of the Economic Cooperation Organization [ECO]. The session will begin on 5 July. It is anticipated that President Nazarbayev will take part in the work of this forum.

Presidents of Turkic-speaking countries, of Iran, Pakistan, and Afghanistan will arrive at the meeting as well. The meeting will last for three days.

Tajikistan

Foreign Ministry Protests to Afghan Authorities

LD0207155793 Moscow ITAR-TASS in English 1058 GMT 2 Jul 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe July 2 TASS—The situation on the Tajik-Afghan border remains extremely tense, especially on the Shuroabad section of the border controlled by Moscow border guards. Armed militants of the Tajik opposition assisted by Afghan mojahedeen, continue attempts to break through the Tajik border from Afghanistan, ITAR-TASS learned from the Tajik Foreign Ministry press and information department.

Yesterday, a 150-strong group of armed militants broke into Tajikistan, led by Afghan field commander Hajii Jamshad. Fire was opened from the adjoining country to back the assaulters. Simultaneously, the transportation of weapons and ammunition is being carried out to the territory of the Shuroabad border region.

Reports say that another big formation has arrived to the Tajik Afghan border, pending transfer into Tajikistan.

Mixed armed formations, consisting of Tajik militants and Afghan mojahedeen mercenaries, are moving to the Tajik border from the Afghan town of Talukan of the Takhar province to be subsequently transferred into Tajikistan.

Russian border guards in alliance with special units of the Committee for State Security of the Tajik Foreign Ministry are continuing operations to neutralize the armed group of militants who had violated the Tajik border. Unfortunately, it is not the first time that the Tajik state border was violated, sources from the Tajik Foreign Ministry said. Previous attempts ended in failure and the last attempt is doomed to failure as well, military sources said. At present, efficient and resolute measures are being taken to rebuff and neutralize the group of armed militants, who have no chance of strengthening its position and moving deeper into the Tajik territory. Tajik Armed Forces are taking all possible measures and using all means available to rebuff the aggression.

The Tajik Foreign Ministry has made a resolute protest to Afghan authorities of the Islamic State of Afghanistan against attempts to violate the Tajik state border and regards this as another attempt to use the territory of the neighbouring country for interference into internal affairs of the sovereign republic. The Afghan [as received] Foreign Ministry once again warned the Afghan side of "grave consequences of the dangerous involvement of regular armed forces of the Islamic State of Afghanistan into hostile actions on the Tajik-Afghan border."

Tajikistan has expressed the hope that Afghan official authorities will make a corresponding assessment of these hostile actions and immediately take measures to end hostilities, i.e. the interference into Tajik internal affairs.

'Very Serious' Clash Detailed

LD0207174293 Moscow Russian Television Network in Russian 1600 GMT 2 Jul 93

[From the "Vesti" newscast]

[Text] A very serious armed clash took place today on the Tajik-Afghan border between 150 fighters of the armed Tajik opposition and border guards. The Tajik opposition group succeeded in advancing 10 km into Tajik territory before being blocked by border guards. When ordered to give up their weapons, the fighters opened fire with small arms and four mortars. After this, they were fired on with support from four combat helicopters. More than 40 fighters' bodies were discovered at the scene as well as 50 wounded. According to information that reached us at the same time as this report, the battle with the remainder of the group is still going on.

Opposition Prepares 'Major Offensive'

LD0607213993 Moscow Radio Moscow World Service in English 2100 GMT 6 Jul 93

[Text] Tajik opposition armed formations based in neighboring Afghanistan are ready to launch a major offensive in August, when the level of water in the border river Pyandzh goes down. The plans were disclosed by a member of one of the opposition units who voluntarily surrendered to Russian border guards.

According to him, more than 800 Tajik combatants have been concentrated on a comparatively small section of the border. The defector also said that he and his 60 comrades were recruited by the opposition in September last year and sent to Afghanistan where Mojahed field commanders instructed them in guerrilla warfare tactics.

U.S. Officials Discuss Refugee Issues

LD0207211293 Dushanbe Radio Dushanbe Network in Tajik 1700 GMT 2 Jul 93

[Text] Labor and Employment Minister Shukurjon Zuhurov today received [names indistinct], officials of the U.S. State Department on refugee affairs. At the meeting talks were held on issues concerning refugees.

The guests were presented with information on the return of refugees to their homeland, the provision of living conditions, and their security during and after their return. Shukur Zuhurov, on behalf of people of Tajikistan, thanked the U.S. Government and the State Department for rendering all-round assistance. He said that the Tajik Government is constantly looking into problems and is striving for their solution. The meeting was held in a friendly and mutually understanding atmosphere.

Government To Buy Helicopter Gunships From Russia

MK0207170093 Moscow SEGODNYA in Russian No. 30, 2 Jul 93 (Signed to Press 1 Jul) p 4

[INTERFAX report: "Tajikistan Intends To Buy Combat Helicopters in Russia"]

[Text] A Tajikistan Defense Ministry delegation visited one of the defense factories manufacturing combat helicopters near Moscow. In the course of the trip, last-minute details are being discussed of an agreement for the purchase of more than 10 Mi-8MTV helicopters for Tajikistan's Air Force. The present version of the Mi-8 helicopter, according to specialists, is the one most suited for the mountainous terrain characteristic of that country.

Rakhmanov Delegation Departs for ECO Summit in Turkey

LD0507132993 Dushanbe Radio Dushanbe Network in Tajik 0800 GMT 5 Jul 93

[Text] A state and government delegation headed by Supreme Soviet Chairman Imamali Rakhmanov, yesterday left for Ankara. Council of Ministers Chairman Abdumalik Abdullodzhanov is also accompanying the delegation.

The leaders of Tajikistan are to take part in a consultative session of the Economic Cooperation Organization [ECO] that will be held tomorrow.

Confiscation of Weapons Continues

LD0207170093 Moscow ITAR-TASS in English 1458 GMT 2 Jul 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe July 2 TASS—The confiscation of weapons and ammunition from the population and illegal armed formation continues in Tajikistan.

The public relations centre of the Tajik Committee for National Security reported that as a result of a successful operation and in the course of search operations workers of the committee for state security and the Interior Ministry have confiscated 112 submachine guns, 31 grenade launchers, 14 "Makarov" pistols, 15 grenades and 22,000 cartridges in a number of regions of the Garm area.

Armenia

Battle Situation Viewed in NKR, Border Region

NC0607184093 Yerevan Radio Yerevan in Azeri 1330 GMT 6 Jul 93

[Text] Dear listeners, we now present a report on the latest incidents in the Nagorno-Karabakh Republic [NKR] and the border between Armenia and Azerbaijan.

However, we first wish to draw your attention to a statement by Karen Baburyan, chairman of the NKR Supreme Soviet, who said: Azerbaijan's mass media organs have reported that the Armenians have occupied Agdam City. I wish to stress with a sense of responsibility that the NKR self-defense forces have not entered Agdam, nor do they intend to do so.

Baburyan also said that Azerbaijan's leaders are trying to remove their political crisis by intensifying military operations on the Karabakh battlefronts.

Yes, that is right. The facts that we will bring to your attention will confirm our viewpoint.

Azerbaijan's military forces attacked NKR's eastern border on the morning of 4 July. The attacking forces were supported by artillery units. A large part of NKR was fired on with various types of arms. Meanwhile, rockets were fired on Stepanakert five times. Considering the threat to the life of the people, the only thing that could have been done was to repulse the wide-scale attack. The NKR self-defense units took measures to ward off the attack by the fully armed and numerically superior forces. Fierce fighting took place. The Armenian forces succeeded in obstructing the attacks. Furthermore, they launched counterattacks and forced the enemy units to withdraw from NKR's borders. In addition, they destroyed the enemy's military positions in several residential areas. Initial reports said that Azerbaijan lost more than 100 men on the Askeranskiy front alone that day. An enemy aircraft, a tank, four artillery guns, and a Grad rocket launcher were destroyed.

Positional fighting took place in that part of the battlefront yesterday. However, observers believe that the tension may weaken.

The situation was tense in Mardakertskiy and Gadrutskiy Rayons that night. Military operations were maintained. Azerbaijan's attacks in the two areas were obstructed. The Armenian defense units gradually took the initiative and forced the enemy to withdraw to their positions.

According to reports we received a short time ago, the [word indistinct] of the attack aircraft, which was hit in NKR's airspace, fell in the northern part of the humanitarian corridor in Lachinskiy Rayon. An enemy Grad rocket launcher, a tank, and seven artillery guns were destroyed by the NKR defense units on the Mardakertskiy battlefronts yesterday. Azerbaijan also lost a considerable number of men in Mardakertskiy. The enemy lost hundreds of men. Five Armenian freedom fighters were killed. The latest reports from the region said that military operations are continuing. The Armenian side is effectively controlling the areas that have been liberated from the occupationist units.

As usual, the Azerbaijani National Army [ANA] units have intensely fired on NKR's residential areas. They wish to harm the heroic people of Artsakh [Nagorno-Karabakh] as much as they can. Several peaceful residents were killed or wounded in Stepanakert when that city was pounded with highly destructive [word indistinct] rockets. Meanwhile, the latest reports we have received from the front indicate that Azerbaijan's military units have maintained their raids and attacks.

Azerbaijan's military units attacked NKR's Askeranskiy Rayon last night. The enemy attack was repulsed. Stepanakert and Askeranskiy Rayon were frequently fired on from the height close to Shilli in the past, but now the Armenian forces control that area.

The ANA positions in Fizulinskiy Rayon pounded the border towns in Gadrutskiy Rayon, including Yudumlu, with artillery guns and rockets last night. Meanwhile, several enemy attack aircraft were seen flying over Askeranskiy Rayon. They fired on several areas close to Khanabad.

Regarding Mardakertskiy Rayon, positional fighting has been continuing in that area.

In short, the situation in NKR's border areas is rather tense. Azerbaijan's leaders wish to divert their people's attention from the gradually worsening economic and political situation by broadening the aggression against Nagorno-Karabakh and claiming that Armenians have launched wide-scale attacks on Azerbaijan's cities and towns. In fact, ASSA-IRADA and the Azerbaijani Defense Ministry have claimed that the Armenian forces have entered Agdam. That was also reported by the Russian Television Network's Vesti news program. Vesti's report was attributed to Azerbaijan. Two days later, however, Presidential Adviser Vefa Kulizade denied the reports that NKR's self-defense units occupied Agdam. His denial confirmed that Azerbaijan's sources are issuing unfounded reports. The situation in the border areas between Armenia and Azerbaijan remains tense. Aygepar and Movses in Armenia's Tavushskiy Rayon were intensely fired on with artillery guns from 1400 to 2200 on 5 July. A soldier was killed and four peaceful residents were wounded. The border towns in Araratskiy Rayon were also fired on with various types of arms last night.

Azerbaijan's leaders claim that they wish to have the confrontation removed. However, they maintain their policy of using force.

No 'Substantial' Changes Reported

NC0707143293 Yerevan ARMENPRES International Service in Armenian 1147 GMT 7 Jul 93

[Text] The border settlements in Nagorno-Karabakh Republic's Gadrutskiy Rayon continued to come under shelling today from the military bases in Fizulinskiy Rayon. The shelling of these settlements started yesterday afternoon. There are dead and injured, but it is impossible to determine the casualty figures.

The border settlements in Askeranskiy Rayon were also shelled yesterday evening.

No substantial changes took place on the battle fronts last night and this morning. The Karabakh Army fighters are in full control of the heights overlooking Shelli. Only positional battles are continuing in Mardakertskiy Rayon.

Tension continues on the Armenian-Azerbaijani border. Sevakavan in Araratskiy Rayon and the defensive positions near a number of villages in Megrinskiy Rayon were fired upon from armored cars and machine guns last night.

Defense Minister on 'Vacation'; Duties Transferred

NC0607145193 Yerevan SNARK in English 1246 GMT 6 Jul 93

[Text] Yerevan, July 6 (SNARK)—The Armenian defense minister Vazgen Manukyan has taken a holiday.

Meanwhile, there are a lot of rumors on the coming retirement of the Armenian defense minister.

The official sources close to the presidential office and to Vazgen Manukyan told SNARK Vazgen Manukyan is supposed to retire just after his holiday. The retirement is caused by the misunderstanding between Manukyan and Ter-Petrosyan on the essence of the Karabakh problem solution.

[Yerevan Armenia's Radio First Program Network in Armenian at 1700 GMT on 5 July broadcast the following report: "ARMENPRES has reported that the duties of defense minister have been temporarily transferred to the Chief of the General Staff Lieutenant-General Norat Ter-Grigoryants because Vazgen Manukyan has gone on a vacation."]

CSCE's Rafaelli Reschedules Visit for 10 Jul

NC0607140793 Yerevan SNARK in English 1111 GMT 6 Jul 93

[Text] Yerevan, July 6 (SNARK)—Rafaelli is on the intentions to come to Yerevan on 10th of July to participate in the negotiations with Armenian leadership.

Non-official sources told SNARK Mario Rafaelli, chairman of the CSCE Minsk conference, will come to Baku on July 9 to meet with Azerbaijani authorities. Rafaelli's visit to Stepanakert is a question, it depends on the content all parties are expressing to achieve cease-fire in the region.

Opposition Demands Resignation of President

LD0707142093 Moscow ITAR-TASS in English 1107 GMT 7 Jul 93

[By ITAR-TASS correpondent Tigran Liloyan]

[Text] Yerevan July 7 TASS—The Armenian opposition is staging a protest in Yerevan on Wednesday [7 July] to demand the resignation of the president and the parliamant.

The "National Self-Determination movement headed by former Soviet dissident Paruir Airikyan decided to stage "a day of general indignation and peaceful revolution". The organisation is against using force to oust current authorities and said in an appeal to the people that it can reach its aims by a peaceful way.

The opposition believes the rally on Wednesday will be a long one and called on the people to bring food, water and warm clothes with them.

In an open letter to President Levon Ter-Petrosyan the "National Self-Determination" said that the people "are disillusioned" in him personally and in the ruling Armenian pan-national movement. It added that the popularly-elected head of the state no longer expresses the will of the people and accused him of falsifying the results of the elections, "the desire to establish normal relations with Turkey at the expense of oblivion of the historical past of Armenians", of usurping state mass media.

It also called on the president to show "mutual restraint and an example of mutual tolerance" and invited him to address the rally.

The Armenian prosecutor's office warned that all responsibility for possible violations of the public order during the rally will be borne by its organisers. It recalled that previous protests of the opposition resulted in "mass disorders, disruption of the work of public transport and other unlawful actions".

Authorities have to fulfil their "deterrence role" regarding the action of the opposition, Foreign Minister Vahan Papazyan said on local tv late on Tuesday. He noted that Armenia remained the only country in the region with internal stability. It is inadmissible to break the stability, especially taking into account the recent "diplomatic and other successes", he said.

Azerbaijan

Aliyev Urges U.S., Russian, Turkish Action on Karabakh

NC0607201093 Baku Radio Baku Network in Azeri 1700 GMT 6 Jul 93

["Text" of appeal by Geydar Aliyev, acting president and Supreme Soviet chairman of Azerbaijan, to the heads of foreign missions in Baku on 2 July]

[Text] The president's powers have been transferred to the chairman of the Supreme Soviet in accordance with the decision adopted by the National Assembly on 24 June 1993. On behalf of Azerbaijan, I wish to stress that no change has been effected in the government's domestic and foreign policies. I also wish to stress that Azerbaijan will continue to move in the direction of democracy, political pluralism, and a free economic system. Azerbaijan will respect human rights and the norms of international law and the democratic reforms in the republic will be realized more quickly and on a broader basis. Meanwhile, the economic cooperation that has been established with foreign countries in accordance with the principles of equality and mutual benefit will be maintained. The obligations that have been undertaken in connection with the agreements that will be signed with foreign companies will be fulfilled in accordance with contemporary norms. An opportunity will be created [words indistinct]

The possibility of fratricide, which constituted a serious threat to our people, has been blocked as a result of the measures that have been put into effect over the past few days. Consequently, the political tension in the republic has decreased to a certain extent. However, the war Armenia is waging against Azerbaijan, particularly the [words indistinct] and the attacks on the border rayons, have had significant effects on the political situation in Azerbaijan. Armenia has used the government crisis in Azerbaijan, the fragmentation of the republic's Armed Forces, and the failure of Azerbaijan's state organs to effectively control the situation to launch new attacks on the republic's territory.

The Armenian Armed Forces attacked Agdam and Agdere on 16 June. They have occupied Agdere and several towns in Agderinskiy Rayon. Meanwhile, Kedabekskiy Rayon, which is not in Karabakh, has also been subjected to intensive attacks. The attacks were checked as a result of the defensive measures that were put into effect. The firing subsided to a certain degree for a few days. However, the Armenian Armed Forces launched strong attacks on Fizulinskiy and Dzhebrailskiy Rayon [words indistinct]. Several of our towns were occupied and burned down. Several peaceful residents were killed. Thousands more have been added to the more than 500,000 refugees in our republic as a result of the recent attacks.

Armenia's aggressive activities have created significant tension at a time when the United States, Russia, and Turkey have made an initiative to find a peaceful solution to the dispute, an effort has been made to implement UN Security Council Resolution 822, and a strong hope has emerged for the cessation of the bloody war. I am convinced that the international community and all the other forces must resolutely condemn the aggression. On behalf of Azerbaijan, I wish to reiterate that Azerbaijan supports the initiative made by the United States, Russia, and Turkey, the CSCE effort, and the agreements that have been reached within the CSCE framework. Azerbaijan supports the peace effort made by Mario Rafaelli, chairman of the CSCE Minsk conference, and guarantees to create the required conditions for the success of that effort. Furthermore, Azerbaijan also hopes that Mario Rafaelli's visit to Baku on 5 July will create an opportunity for [words indistinct].

The Azerbaijani Government, which supports the finding of a peaceful solution to the dispute, urges the government leaders in the world and the United Nations, CSCE, and other influential organizations to resolutely condemn Armenia's aggression, which has continued for more than five years and which has recently been further intensified, and take resolute and urgent measures to halt the aggressor. Considering the grave situation in the republic, the Azerbaijani Government also urges the foreign countries and international organizations to provide the essential humanitarian aid Azerbaijan needs at this present time.

[Signed] Geydar Aliyev
[Dated] 2 July 1993, Baku

Further on Aliyev's Appeal

PM0707145393 Moscow IZVESTIYA in Russian 7 Jul 93 First Edition p 2

[Sokhbet Mamedov report: "Geydar Aliyev Demands that the United States, Russia, and Turkey Honor Their Pledges"]

[Excerpt] [passage omitted] In connection with the increase in combat operations on the Armenian-Azerbaijani front and also the postponement of Rafaelli's visit, Geydar Aliyev, acting president of Azerbaijan and chairman of the republic Supreme Soviet, invited the U.S., Russian, and Turkish ambassadors and also the United Nations' plenipotentiary representative in Azerbaijan to his residence and reminded the diplomats of the essence of the previous meeting, which was held 2 July. Geydar Aliyev regretfully pointed out that neither the United States, nor Russia, nor Turkey, which act as guarantors of a peaceful settlement of the Karabakh problem, has undertaken anything specific in recent days to halt Armenia's aggressive actions. "The latest action in annexing territories in Agdamskiy, Agderinskiy, Fizulinskiy, and other rayons of the republic was precisely a consequence of such indifference toward the events taking place in Azerbaijan," G. Aliyev said.

The Azerbaijani head of state expressed his bewilderment at Rafaelli's unjustified decision to postpone his planned visit to Baku. "It is hard to believe," Aliyev declared, "that a diplomat on such a level can be guided in his actions by a Western agency's overtly provocative information. Consequently, these actions can be regarded as an attempt by the CSCE to get out of fulfilling the UN Security Council's resolutions on settling the Karabakh conflict and thus to leave Azerbaijan one-on-one with the aggressor."

In conclusion Geydar Aliyev declared that the Azerbaijani leadership insists that Rafaelli come to the republic without delay and demands that the United States, Russia, and Turkey honor their pledges. "The international community and its representative organizations," Aliyev emphasized, "must finally decide whether or not they want the peaceful resolution of this conflict."

Guseynov 'Directly in Charge' of Karabakh Fighting

NC0507193793 Baku Radio Baku Network in Azeri 1900 GMT 5 Jul 93

[Text] According to the information we received some time ago, [name indistinct], Nevruzly, and Shilli in Agdamskiy Rayon have been liberated from enemy occupation. Fierce fighting is taking place for Bagbanlar and Marzili. It is hoped that the two towns will be liberated as a result of the joint effort made by our troops and local defense forces.

Prime Minister Surat Guseynov is directly in charge of the fighting.

To Visit Region

NC0607135493 Baku TURAN in English 1213 GMT 6 Jul 93

[Excerpt] Baku, July 6 (TURAN)—[passage omitted] To the official sources information, Surat Guseynov is to visit Agdamskiy, Fizulinskiy, Dzhebrailskiy and the number of other regions of Azerbaijan, that underwent a large-scale aggression of the Armenian army.

Surat Guseynov's trip coincided with the forwarding to the battle-front extra units of Azeri military forces and military equipment.

Azeri Army Liberates Villages South of Agdam

NC0607140393 Baku TURAN in English 1213 GMT 6 Jul 93

[Text] Baku, July 6 (TURAN)—Today by midday Azeri Army managed to liberate 7 villages to the south of town Agdam, TURAN agency was reported at the executive power apparatus of the town.

According to the information from Agdam, this morning the units of the National Army of Azerbaijan launched a counter-attack and by 12 a.m. [as received] they liberated the villages Shilli, Gasimli, Poladli, Shakhbabali, Muganli and Ismailbeyli. All the villages mentioned above are on the south of Agdam region and they were seized by the Armenians as the result of a large-scale offensive of the enemy during the last 3 days.

As TURAN was informed at the Agdam executive power apparatus, all the mentioned above villages were robbed and burned by the captures, there are a lot of victims among the civilians, the number of them is making more exact.

Russian Envoy Comments on Karabakh Conflict

LD0207222793

[Editorial Report] Moscow Mayak Radio Network in Russian at 1440 GMT on 2 July carries a four-minute live report by correspondent Islam Kuliyev from Baku on the "Panorama" program. Kuliyev summarizes the current situation in Azerbaijan.

Dealing with the conflict in Nagorno-Karabakh, Kuliyev plays a recording of an interview with Russian Ambassador to Azerbaijan Valter Shoniya.

Shoniya said: "Russia's efforts to mediate are definitely continuing, and no one should doubt that Russia will see these efforts through to the end, in the sense of ensuring that the long-awaited peace at last prevails on this soil and that this madness, which has been going on for several years, comes to an end. Russia is now investing all its authority and all its weight as a great power, and we are very glad that these efforts are receiving the understanding and support of such states as the United States, Turkey, and the other countries belonging to the Minsk group. I want to tell you—it may not have been published in the press yet—that only yesterday I presented a letter from Foreign Minister Kozyrev to Mr. Salamov, which reaffirms what I said and does so very authoritatively. It also says that we hope the sides will observe the agreements reached recently, the agreements to stop the artillery bombardment and offensive operations in the areas of Agdam and Agdere and the shelling of Khankendi [Stepanakert]. Otherwise, it declares, Russia will take a very resolute view, in accordance with the wishes of the Azerbaijan Government. I think this is a fairly serious warning and those whom it concerns ought to pay very close attention to it. Attempts to exploit the situation here—the temporary problems and the instability which have emerged here—are very short-sighted, to say nothing of how noble they are. It is a very short-sighted policy because when a fire breaks out in your neighbor's house you ought to help him to put it out, not the opposite because that fire could spread to your house as well. This is what good and wise neighbors always do. I am sure there are many more reasonable people than extremists in Armenia, and I am appealing to them to stop this madness and force these people to stop this madness."

Elchibey Wants To Join Ganja Commission

NC0707113093 Baku ASSA-IRADA in English 1043 GMT 7 Jul 93

[Text] Baku, 07.07.93 (ASSA-IRADA)—President of Azerbaijan is always ready to answer in front of people and state is said in the letter of Abulfaz Elchibey addressed to chairman of deputy-investigatory commission on investigation the events in Ganja Metleb Mutalibov ASSA-IRADA was reported at the press-centre of Azerbaijan Popular Front [Azerbaijani People's Front].

It's also said in the letter that Elchibey in connection with appointed for today the discussion on conclusions of commission in Milli Mejlis would like to take part at the session of parliament. However as soon as there remain unremoved reasons which made him leave Baku the return to the capital may create conditions for realizing the insidious intentions of internal and external enemies is said in the letter of president.

Elchibey Interviewed on Turkey's Position

TA0707084893 Ankara Show Television in Turkish 1915 GMT 5 Jul 93

[Interview with Abulfaz Elchibey by Cigdem Anat Kurem for the "32d Day" program in Nakhichevan; date not given—recorded; Elchibey remarks in Azeri]

[Text] [Elchibey] It does not matter that I was overthrown. I am not intent on power. Whatever I do, I do for democracy, for my people, and for our freedom. Power is not important to me.

[Kurem] Why did you leave Baku? We have not received a clear answer to that until now.

[Elchibey] I did the right thing. Otherwise, there would have been a civil war. As you can see, I came here and a civil war was avoided. Surat Guseynov's forces surrounded the (?capital); they ousted the guards there and went in. If they had come to where I was sitting, the forces guarding me would have shot at them and clashes would have erupted. This would have triggered a civil war. I came here only to save the country from a civil war. There can be all kinds of defeat. One comes to power and one loses it, but causing a civil war endangers many people, and it is (?unacceptable).

[Kurem] What do you plan to do now?

[Elchibey] I will continue my (?struggle) through democratic and political ways.

Now, Turkey is saying that this is Azerbaijan's internal affairs and it cannot interfere. I did not say it should interfere in our internal affairs. In the world, dictators defend dictators and democrats should defend other democrats.

[Kurem] What do you expect from Turkey now?

[Elchibey] I expect nothing, and I have no hopes. Whatever I hoped for, I did not receive. Now I will be silent. Silence is [word indistinct].

[Kurem] What did Turkey promise you?

[Elchibey] Turkey did not promise me anything. I could note that democratic republics defend other democracies. There has been a coup d'etat before the very eyes of the world. There has been a forced overthrow and the democratic authority has been ousted. What should one do in reaction to this? What should they do? They should be the better judge of that, not I.

Police Block Entrances to People's Front Headquarters

NC0307140993 Baku TURAN in English 1251 GMT 3 Jul 93

[Text] Baku, July 3 (TURAN)—Today, since the morning doubled details of the police armed with automatic guns and truncheons, dammed all the passages to the headquarter of PFA [Azerbaijani People's Front] in the center of Baku. As it was already reported, today at 6 P.M. [1400 GMT] a rally of president Elchibeys supporters was to take place there.

Yesterday the procurator and the chief of the police of Sabail district in Baku officially warned the leadership of PFA, that the authorities wont permit to hold the rally and all the participants will be made answerable.

One of the policemen said TURAN agency correspondent that, "We have been ordered to break up the rally".

[Baku TURAN in English at 1610 GMT on 3 July adds: "Today Baku police broke down the attempt to hold a PFA meeting to support the president Elchibey planned at 18 o'clock in front of the headquarters of this organization. During the dispersal of the meeting the police used truncheons and the most active were delayed. About 30 people were blocked in the PFA building. Another thousand people were blocked in one kilometre of PFA headquarters near National Bank."]

Aliyev Not To Attend ECO Summit in Turkey

NC0507175293 Baku TURAN in English 1620 GMT 5 Jul 93

[Text] Baku, July 5 (TURAN)—The Chairman of the Supreme Soviet of Azerbaijan Geydar Aliyev won't take part in the conference of the heads of states and governments of the states-members of Economic Cooperation Organization (ECO), that is to take place in Istanbul July 6-7. The head of the parliaments apparatus member reported this. This decision was made because of the complicated situation, that arose as the result of the last large-scale offensive of the Armenian forces in Karabakh region. But the official information hasn't been spread yet.

At the same time, an official government delegation consisting of Vice-Premier Rasul Guliyev, state advisor on international matters Vafa Gulizade, Minister of Finance Salekh Mamedov, the president of the International Bank Vagif Mamedov and the president of the national air-company Adalet Aliyev is getting ready to leave for Turkey.

It is supposed that, the problems of all kinds of transportation and trade will be discussed at the conference.

As TURAN agency was reported by the government source, possibly the delegation will come out with the initiative of building an oil- pipe-line from Azerbaijan to Turkey through the territory of Iran.

Deputy Premier Dismisses Possibility of Joining CIS

NC0707142693 Paris AFP in English 1359 GMT 7 Jul 93

[Text] Istanbul, July 7 (AFP)—Azerbaijan has no intention of joining the Commonwealth of Independent States formed by other republics of the former Soviet Union, visiting deputy premier Rasul Guliyev said here Wednesday.

Some degree of economic contact would be maintained, Guliyev said, but he dismissed the CIS as "having no existence in reality, only in rhetoric."

Vafa Gulizade, state adviser for Azerbaijan's oil industry, said the policy of rapprochement with the West pioneered under ousted president Abulfaz Elchibey would remain unaltered.

But he accused the former leadership of "irregular" relations with western oil firms and said an agreement with a consortium of American, British and Turkish companies would be reviewed.

Aliyev Said Planning To Offer Mamedov State Secretary's Job

NC0607134993 Baku TURAN in English 1213 GMT 6 Jul 93

[Text] Baku, July 6 (TURAN)—The chairman of the Supreme Soviet of Azerbaijan Geydar Aliyev appealed the chairman of Milli Istiglal (National Independence) Party Etibar Mamedov with an offer of cooperation.

Yesterday the central committee of the National Independence Party approved a resolution of advisability of holding negotiations between E. Mamedov and G. Aliyev. The resolution points out, that Milli Istiglal places national interests beyond party interests. The results of the negotiations should be submitted for consideration of the central committee July 8.

The appeal of the experienced politician to the young comrade-in-anti-Elchibey coalition [reference to Mamedov] came out because of the planned in Milli Isiglal tendention to quit the alliance with G. Aliyev. The appeal of Milli Istiglal to the parliament of the republic that qualifies the decree of prolonging the term of the state of emergency that lasts since May 26 as unlawful is an evidence to that. Besides, E. Mamedov, known as the stiff opposition to the former regime, suddenly stated to the journalists last week that, in case Elchibey return to Baku he could avail himself of his presidential power.

As the observers point out, removal of E. Mamedov's political orientation made itself felt after his failure in getting premiers post. Apparently, G. Aliyev is intend to offer E. Mamedov the post of the secretary of state, with the simultaneous subordination of the internal political office to him.

Aliyev Discusses Guseynov, Elchibey's Position

TA0707083493 Ankara Show Television in Turkish 1915 GMT 5 Jul 93

[Interview with Geydar Aliyev, acting president and Supreme Soviet chairman, by Mehmet Ali Birand for the "32d Day" program in Baku; date not given—recorded; Aliyev remarks in Azeri]

[Text] [Aliyev] Azerbaijan was part of the Soviet Union for 70 years and within Russia for 200 years. Can such relations be severed in one fell swoop? These things are done and arranged over years. Can they be broken in one day? If one does so, the economy will also disintegrate.

[Birand] You gave the Prime Minister's Office and responsibility to Suret Guseynov. What would have happened if you had not given him these powers?

[Aliyev] As you know, I did give him the powers. I made the decision to do so. I did not consider what would have happened if I had not done so.

[Birand] You must have. I do not believe that you made such a decision without considering this.

[Aliyev] [laughing] No, I did not.

[Birand] What would he have done? Would he have come here with his guns?

[Aliyev] I cannot comment on that.

[Birand] Does he have many weapons, great power?

[Aliyev] Yes, he does.

[Birand] What do you expect of Elchibey now?

[Aliyev] Let Elchibey sit in the village and act as president. What can I say? What can I do about a person who sits in the village and is unable to leave it. What can I do about this? Let him do whatever he wants. I was told here in the press conference today that Elchibey has filed a suit against me in the international court. Let him do it. If the court can sentence me, let it.

Suleyman Demirel has given me great support and assistance. As a result of his personal initiative, the

Turkish Government extended a $100-million loan to Nakhichevan. We have used $10 million of this credit. We bought food with it. We saved the people from the winter and from hunger. We cannot forget Mr. Demirel's moves in this regard. Every citizen in Nakhichevan knows this.

[Birand] There cannot be two people at the helm. At the end of this power struggle, how many people will be left in power? One or two?

[Aliyev] Two.

[Birand] In your opinion, will this be successful?

[Aliyev] It must be.

[Birand] Do you not fear that Suret Guseynov, who came to demand things with his tanks and guns, will turn against you in the future?

[Aliyev] As you know, I do not think about this. If he turns against me, so be it. I am not concerned.

[Birand] When I come back here in one or two years, will I see you or Guseynov at the top?

[Aliyev] I do not know if I will even be alive. [laughs]

[Birand] What will happen in the end?

[Aliyev] One year is a long time. One has to live through it. Let us live and see.

Guseynov Interviewed on Recent Events, New Role

MK0707122093 Moscow ROSSIYA in Russian No. 28, 7-13 Jul 93 (Signed to Press 6 Jul) p 4

["Exclusive" interview with Prime Minister Surat Guseynov by Zurab Todua in Ganja; date not given: "'I Am a Slave to My People']

[Text] Our conversation with Surat Guseynov took place in Ganja at the moment when the Milli Mejlis was discussing the issue of Azerbaijan President Elchibey's powers, while military units under the colonel's command took up positions at the avenues leading to Baku. Now S. Guseynov is the republic's prime minister. All "power" ministries have been placed under his control. He has gained virtually unlimited powers, which he has sought. Whether S. Guseynov will be able to use this power cautiously enough, the next few months will show. This interview will give some idea of Azerbaijan's new prime minister.

[Todua] The events in Azerbaijan are arousing great interest in Russia. How do you assess the current situation?

[Guseynov] We are expecting fair decisions from the Milli Mejlis. It is necessary to investigate carefully the causes that brought about the bloody clashes on 4 June.

[Todua] What have been the results of the preliminary investigation?

[Guseynov] The commission is working very slowly. It has taken up a very strange position. It does not want to tell the entire truth to the people or to the Milli Mejlis. Moreover, the commission chairman stated that he is trying to reconcile us with the president. This is not a democratic path. If the president is a criminal, there can be no talk about any reconciliation.

[Todua] In other words, you believe that the order to disarm the units under your command came from the president?

[Guseynov] There is documentary proof that the president personally gave an order to send his guard, Internal Affairs Ministry and OMON [special detachment militia forces] troops to Ganja. Therefore we want the Milli Mejlis to pass an equitable decision.

[Todua] You have repeatedly met with Geydar Aliyev and Etibar Mamedov. What were your impressions of these meetings and what do you think about the prospects of further cooperation with them? And most importantly, I would be very interested in your opinion about the future power structures in the republic and the role within them of such key figures and G. Aliyev, E. Mamedov, and yourself.

[Guseynov] So far this subject has not been discussed. As you know, public rallies are going on in all districts. The people know about the criminal actions of the republic's president and leadership. The people are also waiting for fair decisions.

[Todua] What is your personal attitude to G. Aliyev and E. Mamedov?

[Guseynov] Everything will depend on their assessment of the events in Ganja. Now is such a period when all political figures must state their position on this issue. Of course, they can do what they think is fit, but I will appreciate only fair steps.

[Todua] But it is known that both G. Aliyev and E. Mamedov immediately condemned the actions by the authorities in Ganja. Therefore, objectively, they are your allies.

[Guseynov] My allies are the entire people. If they love their people, they must act in accordance with the will of the people. A popular movement is unfolding. Each political figure must state his attitude to it.

[Todua] Sooner or later, let us hope, justice will triumph. Some time will pass, and those guilty of the fratricidal conflict will be punished. But what I would like to know is how do you envision your role in the republic?

[Guseynov] This question must be asked of the people. I have no specific opinion about my own future. I am a slave of my people. Whatever the people demand from me, I must take that step. I have enough strength and skill to direct the people. The entire Azeri people support me. Such is the will of the people.

[Todua] Will the will of the people be expressed as a result of elections or in some other form?

[Guseynov] Via elections. We are moving down a democratic path.

[Todua] It is known that Abulfaz Elchibey dragged his feet over parliamentary elections. Would it be right to say that you are in favor of parliamentary elections, and should Elchibey resign, also presidential elections?

[Guseynov] Elections are a democratic way. Personally I am a democrat and I wish democracy to triumph in the republic. I am negatively disposed toward the possibility of an unconstitutional advent to power. As for the president and his supporters, they must understand that any resistance is futile. They know very well that the blood that has been spilled is on their conscience. If they have any sense of honor, they must tender their resignation.

[Todua] Should you head the government, what problems in Azerbaijan, in your opinion, call for urgent attention?

[Guseynov] I have no wish to occupy any post in the government. But if the people so demand, I shall take that step. Negative processes in the republic are gaining momentum. I am in a position to effectively stop them because I have authority and the people respect me, and I can put everything in order. The people were unhappy with the former leadership. It came to power under the banner of democracy but in fact it sought to impose a dictatorship. People are starving. All of the republic's reserves have been plundered. They remitted incomes to foreign banks. There is proof and there are facts. The people know about this and demand that all those who were connected with the former regime must resign.

[Todua] Do you have a team that, should it become necessary, could constitute the foundation for a future government in Azerbaijan?

[Guseynov] I have no such team. But I hope that all intelligent and educated people in Baku will support me. We are the sons of our people and must help it have a decent life.

[Todua] Do you preclude the possibility of civil war breaking out in Azerbaijan?

[Guseynov] We have had no civil war. This is unrealistic. Everything will be all right. Representatives of the press are exaggerating the gravity of the situation. They are calling us rebels. But it should be understood that we are not a group of plotters, but represent a people's movement. We are supported by the majority of the population. My armed formations are located in the area of Baku with the aim to prevent possible provocations on the part of Popular Front gunmen.

[Todua] What do you say about the prospects for relations between Russia and Azerbaijan?

[Guseynov] We have been maintaining friendship over centuries and we shall continue to do so. This is reality. No one must destroy it. This is what I think. We should help each other get out of the mire in which we have found ourselves.

Aliyev Meets With Amoco President

PM0607100193 Moscow KOMSOMOLSKAYA PRAVDA in Russian 3 Jul 93 p 3

[Unattributed report: "Azerbaijan"]

[Text] Yesterday Geydar Aliyev, acting president and chairman of the republic, received Robert Blanton, chairman and president of the Amoco Caspian Sea Petroleum Company, and the company representatives accompanying him. Aliyev familiarized the guests with the situation in the republic and said that he knows Amoco as an oil company of world renown and that he is satisfied with existing ties between the company and the republic. Despite all the difficulties, he said, "we are for the development of economic and diplomatic relations with foreign countries, including the United States."

Upsurge in Foreign Intelligence Activity Claimed

PM0607142993 Moscow IZVESTIYA in Russian 3 Jul 93 First Edition p 2

[POSTFACTUM report: "Foreign Intelligence Agents Operating in Azerbaijan"]

[Text] Intelligence agents from nearby foreign parts and beyond figure among the journalists who have come to Baku to cover the events there.

A KHABARSERVIS correspondent learned this from sources close to the republic's law-enforcement agencies. According to a senior official in the administrative department, a sharp increase in the activity of foreign special service agents has been recorded in Azerbaijan in the course of the deterioration of the situation there. Quantitatively speaking, a preponderance of intelligence agents from Iran, Turkey, and Russia has been noted in the local market.

Turkmenistan To Cooperate in Oil Research

NC0707150993 Baku ASSA-IRADA in English 1345 GMT 7 Jul 93

[Text] Baku 07.07.93. (ASSA-IRADA)—Azerbaijan is going to take part of render of exploitating of marine oil and gas fields of Turkmenistan. [sentence as received] In connection with this the state oil company of Azerbaijan and accredited in Baku American company Unocal and Turkish Turkish Oil Company decided to cooperate in the operations on research and oil and gas extracting in this region and signed appropriate protocol about the intentions, ASSA- IRADA was told at the State Oil Company of Azerbaijani Republic. The project also includes the participation of investment companies Delta International (Saudi Arabia) cooperating with oil company of Republic.

Georgia

UNSC Calls For Cease-Fire in Abkhazia

LD0307101993 Moscow ITAR-TASS in English 0932 GMT 3 Jul 93

[By ITAR-TASS correspondent Boris Sitnikov]

[Text] United Nations July 3 TASS—The U.N. Security Council urged all parties involved in the Abkhazian conflict immediately to cease hostilities, according to a statement made by council President David Hannay at a council meeting on Friday [2 July].

The Security Council considered a letter, dated July 2, 1993, from the head of state of the Republic of Georgia about the situation in Abkhazia, Republic of Georgia, the statement pointed out.

The council expresses its deep concern over reports about military operations gaining in scope around Sukhumi. The council urges all the sides to cease hostilities and respect a ceasefire agreement. The council will consider without delay the U.N. secretary-general's report on the situation in Abkhazia and recommendations contained in the document, the statement said.

The report submitted to the U.N. Security Council by U.N. chief Butrus Butrus-Ghali said the situation in Georgia was deteriorating.

The ongoing military operations in Abkhazia are having devastating consequences for the country's economy and do not allow the government to devote the necessary attention to the possibilities that have appeared as a result of the gaining of independence or to allocate the necessary resources. It is urgently essential to end the conflict and achieve a peaceful settlement through negotiations, the report said.

To Adopt Emergency Resolution

LD0707131993 Tbilisi Radio Tbilisi Network in Georgian 0800 GMT 7 Jul 93

[Text] Now about the issue that provoked a lot of discussions and gossiping. As [Georgian ambassador to United States] Mr. Petre Chkheidze himself told us, the Abkhaz issue was discussed in the Security Council yesterday. The United Nation's discussion followed a report by Secretary General Butrus Butrus-Ghali. As you know, the report expresses concern over the escalation of the fighting and offers several specific suggestions for resolving the problem, among them sending a group of 50 observers to the combat zone. Butrus-Ghali's report stresses the principle of the inviolability of Georgia's territorial integrity. Mr. Butrus-Ghali's concern was shared by the Security Council, and a decision was made to adopt an emergency resolution based on this report.

The draft resolution must be worked out in one day, and the relevant services have been asked to do it. The discussion will be held on Friday, 9 July.

We would also like to inform you that Vladislav Ardzinba had sent a letter to the Security Council saying that he is categorically opposed to the arrival of observers, assessing it as a violation of Abkhazia's territory. None of the Security Council members agreed with this. As for the draft resolution presented by Mr. Petre Chkheidze, members of every country agreed unanimously with it, including Russia's representative, Vorontsov.

This is the information that we have just received from the United States.

Abkhazia Requests Troops 'Put on the Alert'

LD0307201793 Moscow ITAR-TASS in English 2006 GMT 3 Jul 93

[By ITAR-TASS correspondent Irina Shchegoleva]

[Text] Sochi July 3 TASS—An appeal of the Abkhazian Parliament to the president of the Confederation of Caucasian Peoples was followed by an order of the commander-in-chief of the Confederation troops Shamil Basayev to put on the alert the first echelon of reservists in all republics-members of the Confederation, sources at the Abkhazian Supreme Soviet's press center told ITAR- TASS.

"In connection with the escalation of Georgian combat operations against Abkhazia and in response to Shevardnadze's appeal on total mobilization, all units of the Confederation stationed in Abkhazia shall be put on the alert," says the order.

According to the same source, a meeting of Deputy Russian Foreign Minister Boris Pastukhov and Abkhazian Parliament Speaker Vladislav Ardzinba has ended in Gudauta. After the meeting, Pastukhov said they managed to elaborate a number of proposals on the conflict settlement.

However, sources at the Abkhazian Supreme Soviet press center told ITAR-TASS, the Abkhazian leaders abstained from such estimations.

The same source said fighting on the Ochamchira direction escalated by night.

Shevardnadze's Declaration of Martial Law Viewed

LD0607161593 Tbilisi Radio Tbilisi Network in Georgian 1500 GMT 6 Jul 93

[Text] Because of further complication of the military and political situation in Abkhazia and with the aim of preserving the territorial integrity of Georgia and ensuring the security of its population, the head of state, Eduard Shevardnadze, has issued a decree declaring martial law on the territory of the Autonomous Republic of Abkhazia from 2200 on 6 July 1993 for a period of two months.

The decree is submitted to the republic's Parliament for approval.

Shalva Georkhelidze, the head of state's deputy military adviser, explained today that the introduction of martial law over the whole territory of Abkhazia implies the introduction of a special order of government, according to the law approved by the Georgian Parliament on 24 December 1992. During this time, executive power is concentrated in the hands of the chairman of the defense council, Tamaz Nadareishvili in this case.

Special attention is being paid to ensuring security and order in the region. The entry and exit of civilians to and from the region is limited. All offices and enterprises will change for a special order of work. The holding of meetings, rallies, and demonstrations is banned, as is the selling of alcoholic drinks. The censorship of television and radio broadcasts is introduced.

These are the main points implied by the introduction of martial law over the whole territory of Abkhazia in accordance with the law imposing martial law in the Republic of Georgia.

Shevardnadze Guarantees Autonomy to Abkhazia

LD0607185893 Moscow ITAR-TASS in English 1851 GMT 6 Jul 93

[By GIA for TASS]

[Text] Sukhumi July 6 TASS—Georgia had never called Abkhazia's autonomy in question, Georgian leader Eduard Shevardnadze told a joint session of Abkhazian Defence Council and Council of Ministers held here on Tuesday [6 July].

"Abkhazians are guaranteed autonomy within the boundaries of the Republic of Georgia," Shevardnadze emphasized.

Addresses Abkhaz Council of Ministers

LD0707102493 Tbilisi Radio Tbilisi Network in Georgian 0400 GMT 7 Jul 93

["Excerpt" of speech by Eduard Shevardandze at meeting of the Abkhaz Council of Ministers in Sukhumi on 6 July—recorded]

[Excerpts] [Announcer] Dear radio listeners, we are interrupting the recording [of the previous item] and switching to the "Alioni" [television] program:

[Shevardnadze] I cannot help recalling now that it was said by a certain person in Gudauta that they are not interested in the city [of Sukhumi] but the territory. Georgia and the whole world must know this. This is the policy at the moment: to destroy the city, and not only the city but practically the whole of Abkhazia's territory where the Abkhaz people do not live or to destroy the territory where the kind of Abkhaz people, disliked by them [not further specified] live. The policy is being carried out practically. Incessant bombing of the city, destroying homes, eliminating families, and everything that you witnessed follow this policy.

This is a dangerous disease. This is a disaster. I think that the world has started to realize it already but it is too late now. We have been talking about separatism for such a long time. Separatism is not a national movement. Let me put it this way: Long live the national movement and down with separatism because separatism will bring this planet to disaster and destruction and they [not further specified] are starting to understand this now but probably it is a bit late. This atrocity has left its marks on Sukhumi and every village and every city in Abkhazia.

What are our duties today? In my opinion, life is life, war is war. We must live and work according to the rules of war. State of emergency and the martial law which has been declared again must be obeyed, as well as every requirement in this connection, and the Defense Council must play its role. Some people may think that because there are the head of state, the commander in chief, the defense minister, and members of the Defense Council of the country here, there is no longer a need for the Defense Council here. This is wrong. The Defense Council must act up with fresh strength and energy. You shall have every support. Maybe you will not be discussing and approving plans for military operations, there are people here who will be doing that. [passage omitted]

Every day one gets, say, 50 pieces of information out of which 40 are sheer lies. I declare here that within the framework of my powers that parliament has delegated to me, I shall make decisions on firing, whoever that person may be or whatever his post may be, whether he is prime minister or administrator; whoever is telling lies is an enemy of people. It can only be assessed this way under the conditions of war.

I welcome the defense minister's statement. He made decisions yesterday about those battalion commanders who deserted their combat regions—that cannot be justified. He fired several persons yesterday within the framework of the order on his responsibility which I released. The military procurator is present here. I demand from him...[incomplete sentence as heard] Desertion of post, desertion, you do not need new laws, or a field court-martial. You do not need them, no! You can investigate all this in an operational manner, send it off on the very next day to the military procurator's office or court martial, and the investigation must be finished in three, four, or five days. There is a punishment of up to 10 years imprisonment according to the law and there is capital punishment if the consequences are damaging.

Be active and work and show people that the law is in action. I do not want to say by this that we must start shooting and punishing but the front is the front, war is war and it has its rules. Take it into consideration and do it. If you do not do it the same will apply to you, as it should do during the war. [Announcer] You have been listening to an excerpt of Eduard Shevardnadze's speech which he made at an extended session of the Council of Ministers of Abkhazia held late in the evening. Our colleagues supplied us with this material late last night from Sukhumi.

Defense Chief Wants Russian Military Actions Monitored

LD0607163393 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 6 Jul 93

[Text] Georgia's Defense Minister Giorgiy Karkarashvili met a delegation of foreign military experts in Sukhumi yesterday. The delegation included members of the United Nations, the CSCE, and military attaches accredited to Georgia.

The defense minister familiarized the members of the delegation with the complex situation that has developed in Abkhazia and answered many questions. At the end of the meeting, the minister made a statement in which he demanded that a group of experts comprising the Russian Air Force and border troops, the Russian military groups stationed in the Transcaucasus, and UN representatives be formed and that this group, together with the Georgian side, record the instances of Russian troops' participation in the Abkhaz conflict. The minister asked the foreign guests to be more active to ensure that Russian troops do not interfere in the conflict, that Russian aviation does not take part in combat, and that Russian military equipment, such as the modern air defenses, (Asta) self-propelled artillery, Acatsia and Nona guns, location and radar systems, and other equipment are not used against the Georgian Armed Forces.

The minister also noted that the main aim of the Republic of Georgia is to defend Sukhumi. He said it would be a great help if the international organizations spread objective information in the world and give realistic assessments of the situation.

In conclusion, the minister thanked the guests for coming to Sukhumi and meeting him.

Russia Jams Georgian Military Communications

LD0607195193 Tbilisi CONTACT INFORMATION AGENCY in Russian 1740 GMT 6 Jul 93

[Text] In recent days, during the armed confrontation in Abkhazia, the technical radio communications sources of the Russian military units stationed on Georgian territory were used to deliberately jam the radio frequencies used by the headquarters of the Georgian Armed Forces.

Armed Forces Press Center on Russian 'Misinformation'

LD0707132093 Tbilisi Radio Tbilisi Network in Georgian 0800 GMT 7 Jul 93

[Text] First, some information from Sukhumi. A CONTACT news agency correspondent has gotten in touch with the press center of the armed military forces stationed in Sukhumi. Beso Khvedelidze, an employee of the press center, reported the statement by the press center and gave information about the current situation. Here is the recording:

[Begin Khvedelidze recording] The statement by the press center of the Georgian Armed Forces. Russian mass media, based on sources from Gudauta, have spread misinformation about the conflict in Abkhazia. Information about the alleged occupation by the Abkhaz Armed Forces of the village of Shroma has been spread. This does not correspond to the truth although there were attempts to achieve this, proof of which is a futile attack by the Abkhazians on villages near Shroma and also on the city of Sukhumi. The enemy is trying to jump the gun and considers the desired end as a reality.

Information has also been spread that allegedly the Georgian air defense downed its own fighter plane, a SU-25; this is misinformation as well. Abkhazian journalist Khachik's report about an alleged surrender of 16 Georgian soldiers to the Abkhazians as their prisoners, is especially exasperating. No such event has taken place although there have been many instances from the opposing side when Abkhaz soldiers and mercenaries would silently surrender to the Georgian side. These facts prove that the Gudauta group, having carried out comprehensive but futile operations, is trying to buoy up the spirit of its soldiers by spreading misinformation.

Last night was extremely tense throughout Abkhazia. Fierce battles took place in the direction of Shroma and Akhalsheni where the enemy was trying to concentrate its forces in order to carry out an attack on the village of Shroma. Fierce battles also took place in the Ochamchire rayon. The enemy tried again to land an assault landing force from the sea but the artillery of the Georgian Armed Forces did not give it a chance. The boat carrying the assault landing troops had to sail far out to sea.

Sukhumi has been bombed again. This time howitzers were used as well as the Grad installations. There are no casualties but there is destruction. This morning has been quiet in Sukhumi. [end recording]

Buildup of Forces Continues; Abkhazians Appeal for Peace

LD0607134893 Tbilisi Radio Tbilisi Network in Georgian 0800 GMT 6 Jul 93

[Text] As the CONTAC news agency was told, the concentration of manpower is still continuing in the Gudauta zone. Deployment of some of the manpower in the zone controlled by the Georgian armed forces is expected. Russian reactionary circles, Ardzinba's Moscow advisers, and his Abkhaz like-minded colleagues assure the Abkhaz leader that it is necessary he take decisive measures to storm Sukhumi either today, tomorrow or later on, otherwise their goals are destined for a final defeat and then any hope for future success will be futile.

It is noteworthy that yesterday a large number of the Abkhaz population gathered in Gudauta, there was quite a number of Abkhaz soldiers among them. They demanded combat actions were immediately stopped and peaceful negotiations with the Georgian side started during which they would stipulate the condition that Abkhazia remain part of Georgia with an autonomous region status. Fazil Iskander [famous Abkhaz writer] made a speech and appealed to his fellow compatriots not to support Ardzinba's destructive policy and stop the fratricidal war.

Fighting Along Gumista Frontline Intensifies

LD0707102593 Moscow ITAR-TASS in English 0948 GMT 7 Jul 93

[By ITAR-TASS correspondent Irina Shchegoleva]

[Text] Sochi July 7 TASS—Fighting along the Gumista frontline in Abkhazia has intensified of late, according to Georgian and Abkhazian sources.

Georgian forces in Abkhazia said that Abkhazians have concentrated forces along the direction of the villages Shroma and Akhalsheni. Intensive shootings were reported along the Gumista frontline, however no positional changes were registered overnight.

Sukhumi was shelled overnight from long-range howitzers, according to the source.

The press centre of the Abkhazian parliament said fighting occurred on the left flank of the Gumista front late on Tuesday with a surrounded group of Georgians. Intensive artillery shelling began during the night. Georgians were shelling the town of Novy Afon from howitzers and "grad" rocket launchers. Casualties were reported among civilians.

Intensive fighting took place also on the eastern section of the front where Georgian forces attempted to seize the highway leading from Ochamchira to Sukhumi, according to the press service.

By Tuesday evening [6 July] the Georgians were surrounded there and Abkhazians seized three tanks, three infantry fghting vehicles, two mortars and 80 firearms.

The Georgian forces said that Abkhazians attempted to land a force in the Ochamchira district overnight, but Georgian artillery denied them the possibility. The landing ship was damaged and is anchored near Ochamchira.

According to the source, Georgians continue to control the village of Agubedia seized on Tuesday.

Official Reports Landing Attempt Repelled

LD0707132193 Moscow ITAR-TASS World Service in Russian 1103 GMT 7 Jul 93

[By ITAR-TASS correspondent Tengiz Pachkoria]

[Text] Tbilisi, 7 Jul—Colonel Vladimir Chikovani, principal state counsellor to the Georgian head of state, has disclosed that this morning Abkhaz and North Caucasus formations and forces supporting them tried once again to land a force from the sea, near the village of Tamysh in Ochamchirskiy rayon. Three enemy vessels approached the shore, but coastal defense units of the Armed Forces of the Republic of Georgia opened fire on them. According to Vladimir Chikovani, one vessel was damaged and subsequently sank. Two other vessels managed to escape and headed off in the direction of Novyy Afon.

According to provisional figures issued by the Georgian Ministry of Health, 58 people have been killed and another 368 wounded on the Georgian side during the last five days of the Georgian-Abkhaz conflict, from 2-7 July. Provisional figures from Georgian military sources say that during the same period—2-7 July—up to 150 fighters have been killed and over 500 wounded on the Abkhaz side.

Estonia

CSCE Representative Offers Advice on Foreigners Law

LD0207164893 Moscow ITAR-TASS in English 1454 GMT 2 Jul 93

[By ITAR-TASS correspondent Albert Maloveryan]

[Text] Tallinn July 2 TASS—The Estonian "Law on Foreigners" should be examined both from the viewpoint of legal principles and its psychological influence on the Russian-speaking population in the republic, is one of recommendations given by Max van der Stoel, high commissioner for National Minorities of the Conference on Security and Cooperation in Europe, who ended his four-day visit to Estonia on Friday [2 July].

"The Law on Foreigners" adopted by the Estonian Parliament on June 21 exacerbated contradictions in the republic and was the reason for growing tensions between Estonia and Russia which came out in defence of the Russian-speaking population's rights in Estonia.

After visiting areas populated mostly by Russians in the republic's north-east, the high commissioner told a news conference on Friday that he shares the anxiety of local minorities over their future generated by recently enacted laws on the elections of local self-government bodies, schools and foreigners.

The high commissioner said at the same time that he understood the desire of Estonians to protect their ethnic originality from Russification which was cultivated by occupation authorities for 50 years.

In Der Stoel's opinion, extensive publicity by the government of its actions could promote greater confidence of Russian-speaking population in the authorities—"what it intends to do and what doesn't".

The aim of his visit to the republic and meetings with Estonian President Lennart Meri, Premier Mart Laar and other politicians and public figures was to develop a dialogue between the two communities and to look for mutually acceptable ways to remove tensions, he stressed.

As for Russia's response, the high commissioner said that he will hail any measures, apart from those aggravating relations further.

Der Stoel said in conclusion that he will tell the CSCE leaders about his recommendations to the Estonian president on how to stabilise the situation in the republic.

Russian Statements on Law 'Groundless'

LD0207183493 Tallinn Radio Tallinn Network in Estonian 1600 GMT 2 Jul 93

[Text] At a news conference today, Foreign Minister Trivimi Velliste said that the recent statements from Russian diplomacy, in connection with the law on foreigners, are groundless. In the foreign minister's opinion this is all due to a lack of information, disinformation, and somebody's political ambitions. Velliste said that he approves of the CSCE's active interference in the current situation in Estonia. He finds that the proposals from Max van der Stoel, CSCE high commissioner for the minorities, in respect of the law on foreigners, are generally not to do with the basics. When the CSCE proposes alterations of the legal kind into the law we will take them into account but one must keep legislation and politics apart, emphasized Velliste.

When commenting on the situation in Narva resulting from the long-term policy of certain Russian circles, he said that the people of Narva want to eat and to earn money and that instability would not be in their interests.

The foreign minister said that for some reason little has been said about the 80,000 Russians who are Estonian citizens by birth as well as about the 10,000 who have applied for Estonian citizenship and been granted it. According to Velliste, the figure is very low but this is understandable as people need time to decide, which is what the law on foreigners allows.

Velliste said that he contacted Russian Foreign Minister Andrey Kozyrev by letter in which he proposed a meeting as soon as possible to dispel the tensions which have formed in Estonian-Russian relations.

Laar Asks Parliament To Discuss Law

LD0307154393 Moscow ITAR-TASS in English 1525 GMT 3 Jul 93

[By ITAR-TASS correspondent Albert Maloveryan]

[Text] Tallinn July 3 TASS— Estonian Prime Minister Mart Laar called today for the convocation of an extraordinary session of the parliament currently on vacation since July 1.

In his opinion, the supreme legislative body should discuss recommendations of CSCE High Commissioner for Ethnic Minorities Max van der Stoel on the Estonian law "on foreigners". The recommendations he passed over to Estonian President Lennart Meri dwell on the need to change a number of articles in the law, which made the Russian-speaking population in Estonia to worry about its future and aggravated the Estonian-Russian relations.

Laar told a news conference here today the recommendations of Max van der Stoel, which were approved by the CSCE leadership, should be taken into account by the legislative body. In his words, many of the recommendations were to this or that degree taken into account by the government in its elaboration of normative acts to implement the law.

However, government acts will not be enough to fulfill some of the recommendations and then it will be necessary either to amend the law "on foreigners" or issue new legislative acts.

In the opinion of Mart Laar, the recommendation of the CSCE official on giving residence permits to retired Russian servicemen is the most disputable. Under the law, retired servicemen and members of their families cannot be given residence permits if they came to Estonia under an order of their command.

Laar called for the submission of all future major Estonian legislative acts for an international examination as it was done with the law "on foreigners" on the initiative of the republican president.

The prime minister specified they should submit adopted laws and not drafts, which have not been finalized by the parliament, as it was suggested by the opposition as regards the law "on foreigners".

President Refuses To Sign Law

WS0707103493 Tallinn ETA NEWS BULLETIN in English 0706 GMT 7 Jul 93

[From 7 July RAHVA HAAL, p 1]

[Text] Wednesday, July 7—President Lennart Meri decided not to sign the law on aliens on Tuesday [6 July]. The presidential decision was preceded by extensive consultations with Estonian and foreign experts.

The Council of Europe experts' preliminary ruling on the law on aliens was announced to the president on July 2. At the request of CE [Council of Europe] Secretary General Catherine Lalumiere several legal experts from various European universities studied the law. The preliminary ruling points out certain drawbacks and contradictions with the European legal system and stresses that the law might be improved by referring it to the parliament for further discussions.

The President's decision to refer to the CSCE and the CE has created a new precedent in the European integration process, the presidential chancellery press service announced.

European Experts Find 'Drawbacks'

LD0707103993 Moscow ITAR-TASS in English 0952 GMT 7 Jul 93

[By ITAR-TASS correspondent Nikita Yermakov]

[Text] Paris July 7 TASS—Council of Europe experts found some drawbacks and a discrepancy between some provisions of the Estonian law on foreigners adopted by the republican parliament on June 21, 1993 and the rules of European law, says a press release circulated here on Tuesday by this international organisation.

The group which conducted a preliminary examination of the law was set up by the Council's Secretary General Catherine C. Lalumiere at the request of Estonian President Lennar Meri. The group includes specialists from Austria, Britain, Denmark, Poland and France.

Government Not To Use Force To Block Narva Referendum

WS0607100693 Tallinn ETA NEWS RELEASE in English 0740 GMT 6 Jul 93

[Text] Tallinn, July 5—Estonian Government does not intend to use force to block the referendum at Narva, Aimar Altosaar, the secretary of Ida-Virumma Government Commission, told ETA.

"Conflicts can be solved by using legal means and negotiations," said Altosaar.

The Municipal Council of Narva announced of its intention to have a referendum on introducing territorial autonomy in Narva on July 16-17, declaring that the Law on Aliens discriminated against the Russian-speaking population.

Altosaar said that not all non-citizens were of the same opinion as to the Law on Aliens. According to him the leaders of the industrial enterprises at Narva are worried about the political tensions, being afraid of losing foreign investments.

Estonian President Lennart Meri is to announce his decision about the Law on Aliens on Tuesday [6 July], the President Office stated on Monday.

Councillor of the Prime Minister Aino Lepik said that the Government had already prepared several regulations of the Law on Aliens, which concern residence and working permits, issuing aliens' passports and other documents.

Laar Meets City Council Chairman

WS0707104193 Tallinn ETA NEWS BULLETIN in English 0706 GMT 7 Jul 93

[Excerpt] Wednesday, July 7—Yesterday the Premier Laar met with the Chairman of Narva Town Council Mr Chuikin in Toompea. The meeting was initiated by Mr Laar. Chuikin said after the meeting that no results were achieved. He had told Mr Laar that the decision on referendum had been called for by the discriminative laws Estonia had passed. He had said: "It is 1993 currently, and there are not only Estonians living in Estonia." Mr Laar said at the press-conference yesterday that "Chuikin had agreed with the principle that the Council would act subject to the decisions of the State Court of Law as regards the referendum." He said Mr Chuikin had offered him holding an all-Estonian referendum on finding out how the people of Estonia regarded the decision of Narva. Mr Chuikin had asserted it had come to his knowledge that the bulk of Estonian population were supporting the Council in Narva. Mr Laar strongly doubted that and said that perhaps Mr Chuikin had spoken to some single politicians who had grossly misled him as to the public opinion. But Mr Laar had had nothing against the all-Estonian referendum in principle, if there was someone willing to incur the cost of such an undertaking. [passage omitted]

Government Appoints Representative

WS0707092293 Tallinn ETA NEWS RELEASE in English 1815 GMT 6 Jul 93

[Text] Tallinn, July 6—Estonia's Government appointed Indrek Tarand as its special representative to the North-Eastern city of Narva. Indrek Tarand is a history graduate of Tartu University. He has continued his studies in the field of social sciences at John Hopkins University in the United States. The protocol of appointment has been signed, government counsellor Tiit Pruuli told ETA, and the special representative is ready to start work.

Sweden's Bildt Urges Joint Solution on Narva Crisis

WS0507150893 Tallinn BNS in English 1045 GMT 5 Jul 93

[Text] Tallinn, July 5, BNS—Swedish Prime Minister Carl Bildt made a plea for both sides to work for a solution to the crisis in Estonia.

The crisis in Estonia cannot be solved by only one side taking constructive steps, Bildt said at a news conference today. Estonia had already made a start, he said, by submitting the aliens law for international opinions.

The Swedish prime minister arrived Saturday [3 July] for a one- day visit to Estonia. He met Estonian President Lennart Meri, Prime Minister Mart Laar and Foreign Minister Trivimi Velliste. The primary topic discussed was the "Narva crisis" and the Estonian-Russian relations.

"The aim of my visit today was to facilitate quick solving of the situation," Bildt told the press before leaving Tallinn. "I also represented the viewpoints of the other Nordic countries."

The Swedish prime minister regarded today's meetings as constructive. While he did not voice his personal opinion about Estonia's aliens law, he noted, "I am glad that the law was given to international expertise."

Premier Mart Laar considered Bildt's visit "a clear and strong expression of support for Estonia."

"Bildt says all international organizations declare that human rights are not violated in Estonia," Laar told the press. "If a country claims the contrary it places itself outside those organizations."

Laar also noted, "It is very difficult to make constructive politics when the other side doesn't comply with opinions of the CSCE and the Council of Europe, for example."

The Estonian prime minister pointed to the Ukrainian premier's visit to Estonia next Tuesday as a very important manifestation of support. It shows that the other former Soviet republics support Estonia rather than Russia, he said.

Concrete steps must be taken next week, he said, to bring the amendments to the aliens law up in parliament. "The government considers it necessary that the parliament should be convened next week," he said. "Of course, it greatly depends on the president."

Defense Unit Sent to Narva Said Not Related to 'Crisis'

WS0507133493 Tallinn BNS in English 1145 GMT 5 Jul 93

[Text] Tallinn, July 05, BNS—Estonia sent a 45-man interior defense task force unit to Narva to curb the increasing number of copper thefts at thermal power stations, Interior Minister Lagle Parek told BNS Saturday [3 July].

The interior minister claimed the move was not connected with the current crisis.

"We don't think the recent events call for bringing additional forces to Narva," she said.

Narva Trade Union leader Vladimir Alekseyev told the St. Petersburg newspapers Thursday that "already 500 Estonian soldiers have been brought to Narva."

Estonian Premier Mart Laar said Saturday that the Narva crisis cannot be solved with violent methods. "We intend to do it only by taking legal measures."

Sillamae Official Says Referendum Not Yet Cancelled

LD0707110893 Tallinn Radio Tallinn Network in Estonian 0900 GMT 7 Jul 93

[Text] Aleksandr Maksimenko, chairman of the Sillamae City Council, commenting on the president's decision [to return the law on foreigners to the parliament unsigned], told the Baltic News Service that hopefully this will help to ease tensions among the Russian-speaking population. At the same time Maksimenko claimed that in final terms everything still depends on the decision of the Riigikogu.

The Sillamae City Council chairman said that as things stand at present the referendum in Sillamae will go ahead. However, if there are any constructive steps from the parliament, the question of calling the referendum may be placed on the agenda again. The Sillamae City Council does not see the failure to promulgate the law on foreigners as a victory for the Russian-speaking population.

According to Aleksandr Maksimenko, he has not lost hope that parliament will make the necessary alterations to the law on foreigners and will also revise other laws whose amendments the Russian-speaking population has been demanding. As is known, many Russians are not satisfied with the laws on the language, citizenship, basic schooling and schools as well as the law on local government elections.

Russian Troops Want Personal Weapons for Self-Protection

LD0607145193 Tallinn Radio Tallinn Network in Estonian 1200 GMT 6 Jul 93

[Text] The military personnel of the [Russian] North West Groups of Forces have approached the commanders of the Group of Forces with a request for personal weapons, according to the existing legislation, to protect the honor and respectability of the military and their families. This was reported to the BNS [Baltic News Service] by the Group of Forces press center.

In their statement commanders of the Group of Forces claim that even before the law on foreigners was adopted, both Tallinn and Tartu town councils adopted resolutions on taking over the housing stock at the disposal of the Russian Federation. According to these resolutions, residence permits issued to Russian officers, noncommissioned officers, warrant officers, and extended-service military personnel and their families, and to the military of the former USSR who retired after 1 July 1990 and their families, without prior visas and work permits are declared to be invalid. The town governments in conjunction with the police are charged with the task of organizing that the flats at the disposal of the Russian military are vacated. Starting from 1 September permits allowing them to stay in Estonia, with expiry dates, will be required from them. The Estonian parliament's inadequate activity, in full view of the world, is resulting in a principle of confrontation, according to which the whole population will be divided into us and them. The inevitable consequence of such a policy will be a split in society and enmity against both Russia and the Russians who, by the design of fate, find themselves living in Estonia. This is what the statement says.

The commanders of the Group of Forces view soberly the unpredictable consequences of such a step and hope that the problems between Estonia and Russia will be solved through political means. Russian soldiers are invited to demonstrate determination and endurance. It is noteworthy that seamen of the Baltic Navy have not approached the naval commanders with such requests.

Russian Army Chief Denies Statement

LD0607152093 Tallinn Radio Tallinn Network in Estonian 1300 GMT 6 Jul 93

[Text] Major General Abdurakhmanov, commander of the Russian anti-aircraft division deployed on the territory of Estonia, categorically refuted today the claims that Russian officers have demanded that they should be issued with personal weapons so as to protect themselves and their families. In an interview to ETA [Estonian Telegraph Agency] Major General Abdurakhmanov said that he considers such statements stupid and provocative. In Abdurakhmanov's opinion debated issues can be settled in a calm manner and the Russian military do not require any weapons so as to protect themselves from anybody.

According to information from the republic's government circles there is no information on Toompea that the Russian military are demanding weapons for self-defense.

Ukraine's Kuchma Arrives in Tallinn for Talks

LD0607133693 Moscow ITAR-TASS World Service in Russian 1217 GMT 6 Jul 93

[By UKRINFORM special correspondent Valentin Vernodubenko]

[Text] Tallinn, 6 Jun—Ukraine's Prime Minister Leonid Kuchma arrived in the Estonian capital Tallinn today. Here negotiations have started between the Ukrainian delegation and the Estonian Government delegation.

"In the course of meetings in Tallinn and Vilnius we expect to discuss an extensive package of economic issues," Leonid Kuchma stated to an UKRINFORM correspondent. "Former Soviet Union republics and East European member states of former COMECON in its last years had been a part of a single economic complex, and there is a great interest in reestablishing economic and trade relations. Trade is the main interest of all sides. There is a mutual drive toward it on the part of both Ukraine and Baltic countries."

It has been reported that cooperation in education, science and culture, electronic and postal communications, and transport; as well as procedures of exchange of living accommodation and other issues are on the agenda. A number of documents are expected to be signed. An Estonian-Ukrainian intergovernment commission on trade, economic, scientific, and technological cooperation is due to be set up.

Velliste Receives Kuchma

LD0607165893 Tallinn Radio Estonia in English 1520 GMT 6 Jul 93

[Text] The Estonian Foreign Minister Trivimi Velliste received the Ukrainian Prime Minister Leonid Kuchma today, who was in Tallinn on a one day visit.

Velliste acquainted Kuchma with Estonia's recently adopted aliens' law and the amended requirements for applicants for Estonian citizenship. The parties voiced their regret over the poor state of information exchange between the two countries. Kuchma said the information on Estonia and the other Baltic states comes to Ukraine via Moscow and is biased. The situation may improve in a few months' time when Ukraine opens its embassy in Tallinn.

Laar, Kuchma Sign Economic Pacts

WS0707085993 Tallinn ETA NEWS RELEASE in English 1832 GMT 6 Jul 93

[Text] Tallinn, July 6—The Prime Minister of Ukraine Leonid Kuchma was on a one-day visit to Estonia on Tuesday [6 July].

Mr. Kuchma and Estonian Prime Minister Mart Laar signed agreements on air and road transport, customs and organising a committee for developing economical and scientific cooperation between Estonia and Ukraine.

Although the main aim of the visit was to enlarge economical cooperation, the fact that a visit on such a high level was carried out by Ukraine in the present political situation, taking into account the problematic relations Ukraine has with Russia both in political and economical sphere, spoke for itself, said Mart Laar. He said that Estonia was ready to help Ukraine in restructuring its economy.

According to Kuchma Estonia is an example of how a country can reach market economy in such a short time. Ukraine is also interested in the Estonian experience at introducing our own currency, for Ukraine is going to introduce its national currency at the end of the year.

It was also mentioned that Estonia will open an embassy in Kiev and Ukraine an embassy in Tallinn in the nearest future.

Prime Minister of Ukraine Leonid Kuchma met also President of Estonia Lennart Meri and Minister of Foreign Affairs of Estonia Trivimi Velliste.

Further on Talks, Agreements

WS0707103793 Tallinn ETA NEWS BULLETIN in English 0706 GMT 7 Jul 93

[From 7 July PAEVALEHT, p 1; 7 July RAHVA HAAL, p 1]

[Text] Wednesday, July 7—Yesterday Estonian Premier Mart Laar and the Ukrainian Premier Leonid Kuchma signed in Toompea four agreements and exchanged the ratification documents of the Agreement on Friendship and Cooperation signed last May. Signed yesterday were the agreement on air traffic, the agreement on concorded action in combating the customs violations, the agreement on carrying the passengers and goods by cars and the inter-governmental agreement on setting up a commission on cooperation in trade, economy and research & technology. The Estonian Premier estimated the setting up of the joint commission as an important step, promoting the cooperation between the Ukraine and Estonia. He said that in the nearest future 15-20 more agreements would be concluded. As said by Mr Kuchma, the Ukraine was vitally interested in Estonian experience in carrying out the monetary reform and other market-economy-related experience. The Ukraine will introduce its own legal tender this year.

While meeting with the President Lennart Meri and the Foreign Minister Trivimi Velliste both sides regretted the deplorable state in which the exchange of information between the Ukraine and Estonia was. The situation will ameliorate in some months with the Ukraine setting up its Embassy in Tallinn and Estonia setting up its Embassy in Kiev.

The Ukrainian delegation was 33 strong, incl. several ministers.

'Uncorroborated' Reports on Russian Troops Near Border

WS0507130493 Tallinn BNS in English 1145 GMT 5 Jul 93

[Text] Tallinn, July 05, BNS—Uncorroborated reports indicate Russia has concentrated its troops near the city of Kingissepp, close to the Estonian border, the defense forces headquarters told BNS.

The headquarters say information on troop movements has come from several drivers and local residents, as well as from "their own sources." The forces were moved there "under the pretext of military training."

Kingissepp First To Receive Narva Troop Withdrawals

WS0507135493 Tallinn BNS in English 1145 GMT 5 Jul 93

[Text] Tallinn, July 05, BNS—Officials earmarked Kingissepp as the first Russian town to receive Russian troops withdrawing from Narva, reports the Leningrad district newspaper Vesti.

Estonia plans to build a 120-flat house there using money from the Migration Fund. The Narva town government also plans to help with the finances.

In Jaanilinn, or Ivangorod, officials plan to build a house for Russian borderguards serving on the Estonian-Russian border by October. The construction of another 100-flat house has already begun. The house should be ready next year.

Defense Official Says China Largest Weapons Supplier

WS0607100793 Tallinn ETA NEWS BULLETIN in English 0741 GMT 6 Jul 93

[From 6 July HOMMIKULEHT, p 5]

[Text] Tuesday, July 6—Estonia has little choice in finding suppliers of weapons, Defence Ministry Chancellor Hannes Walter told the HOMMIKULEHT. He described China as the most significant supplier of weapons for the Estonian armed forces. Toomas Alatalu (Coalition Party) submitted a draft law to the Riigikogu proposing the invalidation of the arms deal with Israel but the draft was rejected. Walter defended the policy of the government to inform the Riigikogu only after the conclusion of the contract and the arrival of the consignment, stressing that weapons purchases are state secrets.

Walter explained that the Nordic countries have refused to sell Estonia weapons and added that Swedish and Finnish-made weapons would have been too expensive for Estonia. He rejected the claims of Tiit Made, Arvo Junti and Olav Anton of unreliability of the Israeli-made weapons in the Estonian climate, but admitted that price had been the first consideration rather than efficiency. "We prefer to buy weapons whose efficiency may be 10 percent lower than that of the best types, but the price would be four times lower," Walter explained.

Latvia

Government Resigns; To Carry On Until New Government

LD0707084793 Moscow Ostankino Television First Channel Network in Russian 0800 GMT 7 Jul 93

[From the "Novosti" newscast]

[Text] The Latvian Government has resigned but will carry out its duties until the formation of the new government. This decision was made at the sitting of the Saeima, Latvia's new legislative body.

Fails To Elect President

LD0707112393 Riga Radio Riga Network in Russian 0940 GMT 7 Jul 93

[Text] The Russian-language news service is again in the Red Hall of the Latvian Saeima, and here is a report on the sitting that took place. In my opinion, it was even shorter than the previous one. The chairman of the Voting Commission took the floor and announced that ballots were cast to elect the president of the Republic of Latvia. I should remind you that two candidates were on the ballots: Aivars Jerumanis, from the Latvian Union of Christian Democrats, and Guntis Ulmanis, from the Union of Peasants.

Today's sitting was attended by 93 deputies, but only 79 voted. That is because the Harmony for Latvia faction and the Equal Rights movement refused to vote, standing by their opinion that the Latvian president should be elected by the people. So, 79 voted with the following results: 10 deputies voted for Aivars Jerumanis, 46 for Guntis Ulmanis, 22 deputies crossed out both candidates, and one ballot paper was not valid.

A one-hour break was announced, with the next sitting due to start at 1340 hours. Thank you.

Elects Presidium

LD0607211293 Riga Radio Riga Network in Latvian 2000 GMT 6 Jul 93

[Text] On the first day of the plenary sitting, the Saeima Presidium was elected. Anatolijs Gorbunov, deputy of the Way of Latvia list, is elected chairman of the Saeima. Aides to the Chairman are Andrejs Krastins, representing the Latvian National Independence Movement, and Aivars Berkis, representing the Peasants' Union.

Imants Daudiss, the candidate proposed by the Way of Latvia, is elected secretary of the Saeima.

The first round of voting for the election of the state president was unsuccessful. None of the proposed candidates gained the requisite number of votes, and I remind you they were: Gunars Meierovics of the Way of Latvia: Aivars Jerumanis of the Union of Christian Democrats; and Guntis Ulmanis of the Peasants' Union. The plenary sitting will continue its work tomorrow.

Elects Gorbunovs as Speaker

LD0607163593 Moscow ITAR-TASS in English 1627 GMT 6 Jul 93

[By ITAR-TASS correspondent Galina Kuchina]

[Text] Riga July 6 TASS—The Saeima (parliament) of Latvia has elected Anatolijs Gorbunovs its chairman at the first session held today.

Gorbunovs had been head of the supreme legislative power in the republic over the past five years. Prior to this, he worked as secretary (ideology) of the Central Communist Party of Latvia from 1985 to 1988.

The Saeima has postponed the confirmation of deputy's powers of former secretary of the Central Committee of the Communist Party of Latvia Alfred Rubiks who is under arrest. It has been decided to consider this question after the court verdict.

Further on Saeima Session

MK0607130093 Moscow NEZAVISIMAYA GAZETA in Russian 6 Jul 93 p 3

[Vitaliy Portnikov report under "Latvia" rubric: "Last Session of Latvian Supreme Council. And First Saeima Session"]

[Excerpt] Today a solemn liturgy in the cathedrals of three churches (Lutheran, Catholic, and Orthodox) has inaugurated the work of the newly elected fifth saeima of the Latvian Republic. The Latvian diplomatic corps, the upper clergy of seven religious denominations, and statesmen from neighboring Estonia and Lithuania have been invited to the opening session. The first session of the fifth saeima was broadcast live on TV and radio.

The new parliament, having started its session, stated that the Latvian Republic Supreme Council tenders its resignation and that the constitution takes effect. In addition, parliamentary factions are expected to sign a corresponding statement. It is likely, however, that some of the parliamentary factions will make special statements with respect to certain changes in the Latvian Constitution that was in force prior to the country's occupation in 1940. For example, Latvian Accord proposes restoration of the 8 May 1934 amendment to the constitution on electing the president in nationwide, direct elections. But chances are that the president will after all be elected by parliament. There are three candidates for this post at present. They are Gunars Meierovics, nominated by the Latvian Path bloc, which has won the election; Aivars Jerumanis, a candidate from the Christian Democratic Union; and Guntis Ulmanis, a representative of the Latvian Christian Union.

Gunars Meierovics, until recently chairman of the Free World Latvians Association's board, has better chance of occupying the presidential post, especially because he comes from a family connected with the Latvian Republic's political traditions. In his opinion, this post primarily involves presentation duties. "The president is a personality who represents the nation abroad," Meierovics stated on the eve of the first Saeima session.

Ayvar Erumanis also comes from the Latvian emigration, but unlike Meierovics, who upholds liberal views, he advocates a rightist radical approach to Latvia's political development, and in his time he was even stripped of the title of honorary consul in San Francisco by former Foreign Minister Yanis Yurkans, currently leader of the Latvian Accord faction.

Guntis Ulmanis, former deputy chairman of the Latvian city council and currently a member of the Latvian Bank council, is interesting at least in the fact that he is the only candidate to have been born and raised in Latvia; furthermore, he is related to Ulmanis, the last president of the Latvian Republic.

The coalition pattern of the future parliament has also been defined. It is most likely that the Latvian Path bloc will conclude a coalition agreement with the Latvian Christian Union and the Democratic Center Party. Therefore a liberal right-oriented coalition will be set up. The Democratic Center Party's participation in the coalition will ensure it the requisite pragmatic component. In addition, observers see the Latvian Path bloc, which won the election, as an association guided by power interests rather than ideas. If a coalition agreement is effective enough, then undoubtedly Anatoliy Gorbunovs will be elected chairman of the Latvian Saeima, and Valdis Birkavs, Ivars Godmanis' former deputy and representative of the Latvian Path, will be nominated prime minister. Now, however, the prime minister from the ruling association will have to take into account the interests of representatives of the Latvian Christian Union and the Democratic Center Party in his government. [passage omitted]

Foreign Ministry on Russian Sanctions Against Estonia

LD0307160593 Riga Radio Riga Network in Latvian 2000 GMT 2 Jul 93

[Excerpt] The Russian Supreme Soviet adopted a resolution on 1 June [as heard] on economic and political sanctions against the Republic of Estonia. The pretexts given for adopting such a resolution were Estonia's laws on local government elections and on foreign citizens.

In this connection the Latvian Foreign Ministry issued a statement in which it emphasizes that these actions testify that Russia has adopted a course toward further confrontation, and does not intend to maintain the norms adopted in international practice in settling contentious issues with a neighbor state. There is reason to believe that Russia's purpose is not a genuine concern for the ethnic Russians in Estonia, as is being declared, but a desire to delay the withdrawal of Russian troops from the Baltic countries, creating tension not only in Estonia but all over the Baltic region, says the Latvian Foreign Ministry statement.

The Foreign Ministry expresses hope that Russia will be able to realistically assess its policy in the Baltic region, and really act to ensure security, stability, and good neighborly relations not to promote an escalation of tension. [passage omitted]

Saeima Views Russian 'Threats' Against Estonia

LD0607133993 Riga Radio Riga Network in Latvian 0900 GMT 6 Jul 93

["Text" of statement from the 'For the Fatherland and Freedom' election coalition to be included on the agenda of the fifth Saeima session in Riga; read by Deputy Maris Grinblats—live]

[Text] The Latvian Saeima states that it considers the threats issued by the authorities of the Russian Federation against the Republic of Estonia and the sanctions introduced by Russia against Estonia to be rude political pressure with the goal of continuing the policy of occupation and colonization against the Baltic states, not allowing the restoration of true independence of these states but rather keeping them effectively under Russia's control.

The assembly of the Republic of Latvia condemns such policy as being in contradiction to the principles of international law. The assembly of the Republic of Latvia supports attempts by the Republic of Estonia to succeed in putting an end to the occupation and the colonization and to restore an independent, law-governed, and democratic state.

The assembly of the Republic of Latvia considers that the Baltic states have many common political problems, the tackling of which requires closer cooperation between the Baltic states to resist any increase in Russia's imperialistic activities. Therefore, the assembly of the Republic of Latvia suggests that the highest-level authorities of the Republic of Estonia consider in the nearest future the possibility of beginning talks on the conclusion of an agreement on political, economic, and military cooperation between Estonia and Latvia.

Yeltsin Sends Letters on Human Rights, Parfenov

PM0507132793 Moscow ROSSIYSKIYE VESTI in Russian 3 Jul 93 p 2

[Sergey Karkhanin report: "Priority to Protecting Russian Citizens. Boris Yeltsin Sends Riga Two Letters"]

[Text] The Russian Federation President's first letter was his response to an appeal from the Latvian Committee for Human Rights and Humanitarian Cooperation. Boris Yeltsin noted that he shares the concern shown by the human rights activists at the cases of the restriction of vitally important freedoms for many residents of the Latvian Republic. There are examples of the Russian Federation's official line having had a definite influence on the Latvian side's position with regard to deterring the extremist plans of the Latvian national radicals aimed at "getting rid" of noncitizens from Latvia. Now the problems relating to citizenship will be addressed by the Latvian Republic's recently elected Seimas. Boris Yeltsin stressed that the protection of the legitimate rights and interests of Russian citizens in Latvia—and in other countries—will remain a priority avenue of Russian policy.

The second letter was addressed to Anatolijs Gorbunovs, speaker of the Latvian parliament, and concerned the fate of Sergey Parfenov, who is still held in isolation at a Riga detention center. It is well known that the Russian Federation president has already asked for the Russian militia officer to be handed over to Russia, but no change in Parfenov's fate has been forthcoming. Boris Yeltsin, noting that the prisoner's health has deteriorated sharply, recalled that the legal mechanism for handing Parfenov over is already in place, and there is thus not the slightest justification for any delay in implementing the agreement that has been reached. The Russian president called on Anatolijs Gorbunovs to carry out this agreement in respect of Parfenov and thereby prevent any further complication in relations between the two countries.

No New Russian Troops Allowed To Help in Withdrawal

LD0507204793 Riga Radio Riga Network in Latvian 1700 GMT 5 Jul 93

[Text] A news conference was held at the Latvian Foreign Ministry today, at which journalists were informed about the results of a visit to Latvia by UN General Assembly President Stoyan Ganev.

As you know, Ganev arrived in Latvia to study the Russian troop withdrawal from the Baltic states. It has been noted that when reporting to the UN on the situation in the Baltics, Ganev points out that Russian President Boris Yeltsin's statements about curtailing the troop withdrawal contradict international agreements. This issue will also be considered by UN commissions.

And here is the Latvian standpoint, which was expressed by Ilgonis Upmalis, head of the bureau for monitoring the withdrawal of the Russian Army from Latvia.

[Begin Upmalis recording] We tackled these issues, analyzed them, and came to the conclusion that in spite of Yeltsin's statements we will observe these international agreements until the new government is formed and a new delegation for talks with Moscow is appointed. We will also ask the Russian side to observe the agreements concluded. There is a third thing: We will not allow the [Russian] Army to bring in additional contingents which are not involved in the Army withdrawal. These will be the main problems our bureau will be tackling until the new government is formed.

This visit was very helpful for us and, I believe, for everyone. [end recording]

Riga Reaches Agreement With Russia on Gas Supplies

LD0507205393 Riga Radio Riga International in English 2030 GMT 5 Jul 93

[Text] Latvia has reached an agreement with Russian gas suppliers so that gas supplies to Latvia from Russia will not be cut off starting tomorrow. Latvia will pay back a $4.5 million loan with the help of a G-24 loan provided to the Bank of Latvia earlier this year.

Lithuania

Brazauskas Promises Continuity in Russia Policy

MK0307095093 Moscow NEZAVISIMAYA GAZETA in Russian 3 Jul 93 p 3

[Tamara Nikolayeva report: "Between Common Sense and Opposition—This Is the Way Lithuanian Authorities Chart Their Russia Policy"]

[Excerpt] [passage omitted] Lithuania, compared with so difficult a case as Estonia, appears to be seen by Russian politicians in a wishful light, not in its true one. The other day, yet another denial was made regarding statements by Russian representatives at the CSCE meeting in Vienna alleging that Lithuania was willing to give the requisite status to the Russian troops being withdrawn and to forgo damages. Here, in Vilnius, it is hard to judge on what grounds the Russian side time and again announces its diplomatic successes in disputes with Lithuania and the latter's willingness to make concessions. But whenever it does so, Lithuania refutes it as if flicking it on the nose. Subsequently, the following conclusions are typically drawn: Russia is resorting to wiliness to sow discord among the Baltic states, which are already lacking an agreed stance on relations with Russia, and to draw Lithuania into its sphere of influence.

An open confrontation with Russia was the hobby horse of Vytautas Landsbergis' policy, and the right wing carefully sees to it that it continues to be so. To this end, they have the most formidable instrument of control—the Act of Lithuania's Nonalliance With any Post-Soviet Eastern Blocs, which has constitutional importance and which was approved virtually unanimously at the former Supreme Council both by right-wing deputies and the current left-wing majority.

The other day, the Lithuanian Christian Democratic Party sent a memorandum to Algirdas Brazauskas once again reminding the president, who was from the outset suspected of wishing to establish closer ties with Russia, of the need to "oppose Russia's desire to reintegrate Lithuania in its sphere of influence." The Christian Democrats insist on pressing demands that Russia pay damages in full for what had been done by the former USSR to the citizens of Lithuania and the Lithuanian state since 1940 (initially, the Lithuanian side mentioned the amount of $150 billion). They believe that Russia, by exploiting its monopolistic position, especially with regard to strategic raw materials, is imposing unfavorable trade conditions on Lithuania.

What is the viewpoint of the Lithuania president? On 1 July, he received the authors of the memorandum—members of the Christian Democratic Party's board—and reassured them that the policy of the Lithuanian Republic's former leadership, based on Lithuania's full sovereignty, economic independence, good-neighbor relations, and mutually advantageous cooperation, would continue. [passage omitted]

Russian Troop Withdrawal Proceeding 'Vigorously'

LD0407144693 Vilnius Radio Vilnius Network in Lithuanian 0900 GMT 4 Jul 93

[Excerpt] UN General Assembly President Stoyan Ganev stated during his visit to Riga that the resolution on the complete withdrawal of the Russian troops from the Baltic states passed by the UN General Assembly was not being carried out in full and that, unfortunately, no significant measures were being taken for the implementation of this document.

According to the press service of the Latvian parliament, [Supreme Council Chairman Anatolijs] Gorbunovs told the UN General Assembly president that Russia had completely stopped the troop withdrawal and was raising political demands.

The visit to Estonia on 5 July by Russian Defense Minister Pavel Grachev will not take place because of the difficult political situation. This report was received from the headquarters of the Russian Baltic Fleet. Besides, a report has also been received that Admiral [Vladimir] Yegorov, commander of the [Baltic] Fleet, has arrived in Tallinn and is to present the report by the Russian Defense Ministry on the reaction of the Russian servicemen concerning the law on the status of foreigner adopted by the Estonian parliament and possible consequences on the units of the Russian Navy deployed in Tallinn.

Of the three Baltic states, the withdrawal of the Russian troops from Lithuania is proceeding most vigorously, although it is difficult to tell at the moment whether the deadline, 31 August, will be met. Reports are coming in from various parts of Lithuania where the troops have already been pulled out. Here is correspondent Antanas Lauraitis reporting from Silute:

[Lauraitis] A unit of the Russian Armed Forces with anti-aircraft missiles has been deployed for 25 years close to the city of Silute occupying a site of 25 hectares. Now one more military site on the Lithuanian Pamarys land has been vacated by the Russian soldiers. The property of the former Russian military unit in Tarvydai was taken over according to the handing over and receiving deeds by the Juknaiciai local council. [passage omitted]

UN General Assembly Chairman Comments

LD0507153493 Vilnius Radio Vilnius Network in Lithuanian 1300 GMT 5 Jul 93

[Text] Lithuanian President Algirdas Brazauskas received today UN General Assembly chairman Stoyan Ganev. During a conversation with Algirdas Brazauskas, the chairman of the General Assembly said he is categorically against attempts to link the withdrawal of the army with, above all, economic problems and those of national minorities. He acknowledged that these problems exist in Latvia and Estonia, but they should be solved separately,

Stoyan Ganev positively assessed the constructive Lithuanian-Russian dialogue on the withdrawal of the army. He said that this experience could be used by other Baltic countries, although there this problem is more complex.

The General Assembly at its fall session will discuss how its resolution on the troop pullout from the Baltic states is implemented. Stoyan Ganev voiced the hope that by that time there will be no Russian army in Lithuania, and the results of Latvian and Estonian negotiations will yield more concrete results than hitherto.

Today Stoyan Ganev had consultations with Seimas Chairman Ceslovas Jursenas.

Withdrawal From Linkaiciai May Be Delayed

WS0607110893 Vilnius RESPUBLIKA in Lithuanian 18 Jun 93 No. 116 p 5

[Report by Jaunius Pocius: "An Expensive Divorce"; under the "News From Europe's Center" rubric]

[Text] The withdrawing Russian Army that has about 100 servicemen in Linkaiciai is still controlling one-third of its former domain and guarding warehouses with its ammunition. Representatives of the authorities of the Radviliskis region and the National Defense Ministry are currently taking over the 200-hectare territory that previously belonged to the Russian military unit No. 37725 stationed in Linkaiciai. According to V. Simelis, deputy chairman of the local council, Russian servicemen may be delayed there after 31 August, since they will not manage to take away all ammunition in time, because this action requires 800 railway cars.

Soldiers from the "Gelezinis Vilkas" unit are guarding part of the restored facilities. However, the local authorities have been left with bare walls. Apart from the warehouses, the authorities will get four big 70-meter long hangars, one of which used to house nuclear warheads (specialists do not speak about any increased radiation). The local authorities intend to either rent or sell the buildings. They have also been left with only 15 apartments in the three high-rise blocks. Having acquired Lithuanian citizenship, wives of officers who have already left the country have successfully privatized and are still selling the remaining apartments.

Slezevicius Views Economic Stabilization, Fuel Problems

LD0507165593 Vilnius Radio Vilnius Network in Lithuanian 1200 GMT 5 Jul 93

[Text] Lithuania's economic situation remains complicated, but a certain degree of stabilization has been achieved in industry and in the economy as a whole, according to Adolfas Slezevicius, prime minister and chairman of the Lithuanian Democratic Labor Party, in a report at a meeting of the council of this party, which holds a parliamentary majority.

The head of the government noted that the main task now is to improve the state of affairs in agriculture.

On the problem of energy supplies, the prime minister discussed ways of paying the debts to the Russian concern Lentransgaz for natural gas supplies. According to him, with this aim in view the Lithuanian state bank has granted a $10 million credit. This money has already been transferred. Apart from that, $15 million credits are to be granted in the near future by the World Bank and the IMF.

The head of the government stressed the importance of securing alternative sources of fuel supplies. According to him, talks are under way with big international firms on preparing and financing a project for building a terminal on the Baltic Sea for importing oil products. It should be completed by the end of this year. The technical possibility of receiving oil from the West will emerge at the end of 1994.

Interior Minister Interviewed on Policy, Organized Crime

WS0707095493 Vilnius RESPUBLIKA in Lithuanian No 117, 19 Jun 93 p 6

[Interview with Interior Minister Pranas Vaitiekunas by newspaper reporter Remigijus Barauskas on 17 June in Vilnius under the "Justice: Roads and Mistaken Paths" rubric: "Ministers Will Probably Not Be Handcuffed, But the Police Will Attack"]

[Text] [Barauskas] **You were in Vitebsk on 16 June. What did you discuss there with your colleagues from Belarus, Russia, and Latvia?**

[Vaitiekunas] This meeting was held at the initiative of the Belarusian interior minister. We discussed the system of enforcing public order and investigating crimes on the border, because sometimes our officials conduct examinations and inquiries in neighboring countries without arranging them with respective institutions. Such actions violate the sovereignty of other states. Vitebsk was chosen as a meeting place, because Belarus borders on Russia, Latvia, and Lithuania there. We agreed that neighboring police and militia units must cooperate more closely when searching for criminals. Thus far, they could not help their colleagues without coordinating the matter with the ministry.

[Barauskas] **Criminals are becoming more impudent in Lithuania with each day. The last explosion in Birzai testifies to this. People rightly miss more active moves by the police. When will we see such views on television as in Italy?**

[Vaitiekunas] How ministers are handcuffed? We should not act so vehemently. I have not been to Italy, and I do not know their working conditions. Certainly, they are not supermen, but people like us. However, they must have some real legal possibilities for combating such structures. I wish our legal institutions treated the assessment of proof a bit differently. We should stop saying that we lack evidence. There is enough information, and we are going to use it in a definite manner shortly. However, I do not want to forestall events.

[Barauskas] **The police have already conducted a few raids that were ineffective. Mass searches have unveiled almost nothing.**

[Vaitiekunas] We did not even think that we could achieve optimal results through such measures. However, such actions sustain a certain tension on the other side. That is why they will recur.

[Barauskas] **You have been the minister for a year already. Have you formed any broader view of the mafia?**

[Vaitiekunas] Such structures do exist and their integration into the economy is increasing. We possess data that shows that criminal forces have divided the country into territories and industries. Shadow representatives are being appointed and backstage meetings are being held but it is very difficult to establish that this is a violation of the law. That is why we just submitted proposals on preventive custody to the Seimas. We would like the lawmakers to allow us to keep a suspected person in custody for a month with a prosecutor's sanction, if we have some operative information. This would facilitate the process of testifying and inquiring. We also propose that the article on property extortion of the Criminal Code be reviewed. Even a few annoying visits to some businessman or owner and the offering of one's services should be codified as crimes.

[Barauskas] **Do you have any information about the penetration of foreign criminal structures into Lithuania?**

[Vaitiekunas] Yes, we do. However, they are doing this through economic processes. They are investing their capital in joint ventures and stock companies. Everything is being accomplished under a certain cover. That is why it is difficult to establish the criminal activities of these structures. The information that we receive through Interpol is insufficient. We must expand our cooperation with our colleagues from respective countries.

[Barauskas] **It must be not only the lack of laws that hampers the effective work of the police.**

[Vaitiekunas] The greatest problem is that the best employees are leaving the police. The Police Department is currently short of some 3,000 people. I had talks with my colleagues from neighboring countries in Vitebsk. They do not have this problem because their salaries are considerably higher. We understand that everyone is having difficulties. However, if we really believe that crime is an exceptional problem, we must accord special attention to it because there may be no one left to fight against criminals tomorrow. Second, we are extremely short of operative technologies and vehicles.

[Barauskas] **At the meeting with the working group for combating corruption and organized crime a month ago, President A. Brazauskas promised to spare no means for this matter.**

[Vaitiekunas] The government earmarked 31 million talonai to raise the salaries of employees that serve in units for combating organized crime. However, we had asked for more because it is difficult to find people even for this money. Not everyone is eager to work in these units and many may be afraid. Nor can we take unqualified people.

[Barauskas] **Why did you dismiss three top police officials in Kaunas?**

[Vaitiekunas] We have established that a shipment of spirits was smuggled into Lithuania. Later the exhibits were stolen from a place guarded by the police. Officials who were in charge of their protection had to account for this. Certainly, the Kaunas commissar also punished several low-ranking officials.